

## ***Worldwide WebCam -- Markets Reach \$3.2 Billion By 2015***

LEXINGTON, Massachusetts (January 17, 2009) – WinterGreen Research announces that it has a new study on Worldwide webcam markets. The 2009 study has 333 pages, 130 Tables and Figures. Worldwide webcams are poised to achieve significant growth as units become smaller and less expensive broadening the types of video applications for which they are used.

Trends in the webcam consumer technology market include leveraging brand identity, providing affordability, permitting ease of installation, and permitting ease of use. Visual appeal has become an aspect of the purchase decision when buying a webcam to go with a desktop.

Industry dynamics impact use of webcams for cell phone platforms, video game consoles, digital music players and home-entertainment systems. As additional platforms deliver new functionality, increased processing power and growing communications capabilities, demand to increase add-on, complementary devices connected to these platforms is increasing. The product expertise webcam vendors have developed for the PC platform is being extended to multiple platforms. Expertise provides opportunity for growth and market leverage.

The small office and home networking market is entering a new phase. Consumer electronics are no longer standalone products. The current environment is shifting into a market ripe for integration of data, communication and multimedia devices. Encore strives to explore this trend and continue to offer high performance connectivity devices to the worldwide market.

Logitech is similar to most of the leading market participants in its growth strategy. Success in implementation is the difference between the market share leaders, they all have the vision of innovation for the product lines. Leading vendors sell products to a network of distributors and retail organizations, and to original equipment manufacturers (OEMs).



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Microsoft entry into the market has made the competitive environment more intense. Aggressive pricing practices, promotions, and channel marketing on a worldwide basis from Microsoft have had an impact on revenues and margins for all vendors.

Worldwide retail network includes wholesale distributors, consumer electronics retailers, mass merchandisers, specialty electronics stores, computer and telecommunications stores, value-added resellers and online merchants. The large majority of revenues are derived from sales of products for use by consumers, with sales of products for use by businesses amounting to a small part of revenues.

Markets are competitive and are characterized by short product life cycles, rapidly changing technology, evolving customer demands, and aggressive promotional and pricing practices. In order to remain competitive, continued investment in product research and development is critical to driving innovation.

New and improved products and technologies drive market growth. Logitech is committed to identifying and meeting customer trends with an innovative product portfolio. It seeks to increase the value of the Logitech brand from a competitive, channel partner and consumer experience perspective. Innovation and product quality are helping gain market acceptance and strengthen market leadership.

### Architecture Revolution

Architecture allows products to achieve processing speed, signal quality and power consumption performance comparable to that obtained from competing fixed function hardware. Unlike fixed function hardware, which is suitable for single applications such as video processing, products can support a variety of multimedia applications such as audio, video and imaging using a single processor.



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This allows achieving levels of integration comparable to those offered by general-purpose semiconductor devices such as CPUs and baseband processors. Since processors are designed solely for multimedia applications, rather than a broad spectrum of computing tasks, processors avoid the need for the complex control software used by CPUs and baseband processors, and can therefore offer significantly better processing speed, signal quality and power consumption performance.

### Value of Innovation

Vendors do research on advanced technologies for webcam software products and services. Delivering breakthrough innovation and high-value solutions through integrated software platform is key. Meeting customer needs and achieving growth depends on innovation. Vendors continue to lay the foundation for long-term growth by delivering products and services, creating opportunities for partners, improving customer satisfaction, and improving internal processes.

Microsoft focus is to build on this foundation through ongoing innovation in integrated software platforms; by delivering compelling value propositions to customers; by responding effectively to customer and partner needs; and by continuing to emphasize the importance of product excellence, business efficacy, and accountability.

Cisco Linksys Wireless-G Direct Internet Home Monitoring Security Camera Works without a PC connection. The Cisco Linksys Wireless-G Internet home monitoring camera sends live video through the Internet to a web browser anywhere in the world. This compact, self-contained unit lets you keep track of your home, your kids, your workplace -- whatever's important to you.

Unlike standard "web cams" that require an attached PC, the Internet Home Monitoring Camera contains its own web server, so it can connect directly to a network, either over Wireless-G (802.11g) networking, or over 10/100 Ethernet cable. Choose either MPEG-4 or Motion JPEG video compression for a high-quality, high-frame rate, up to 640x480 video stream.



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Markets for webcams at \$1.8 billion in 2008 are anticipated to reach \$3.2 billion by 2015, growing in response to decreases in unit costs and increases. WebCams used in social networking, Internet communications, instant messaging, notebook portable computers, and PCs are proving the technology for video communication. Widespread use in a range of applications proves the feasibility of this technology. The large emerging markets are for video communication and security powered by evolving systems.

WinterGreen Research is an independent research organization funded by the sale of market research studies all over the world and by the implementation of ROI models that are used to calculate the total cost of ownership of equipment, services, and software. The company has 35 distributors worldwide, including Thompson Financial.

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