

6 November 2006

Press release

DIGITAL TV KIT SALES OVERTAKE ANALOGUE FOR FIRST TIME

Sales of digital television equipment have overtaken analogue for the first time, according to research released today (November 6, 2006).

The findings from Digital UK, the independent organisation leading the nationwide switch to digital TV, show that in the three months to September, combined sales of digital televisions, set top boxes and recorders accounted for 51% of all television equipment sold.

The research based on sales in 20,000 UK stores reveals the continuing surge in high street demand for flat panel televisions – the majority of which are switchover ready - and a sharp decline in sales of cathode ray tube sets. Sales of flat TVs grew by 83% over the quarter while CRT sales fell by 40%.

Ford Ennals, CEO of Digital UK, said: "This is a landmark moment in the UK's transition to digital television. People love the extra channels and services that digital offers and the new generation of flat televisions on which to enjoy them.

"While some shoppers continue to buy analogue televisions, they can be easily converted to digital as switchover approaches. We will continue to work closely with manufacturers and retailers to phase out the sale of analogue sets and ensure people understand the benefits of buying switchover-ready products."

The Digital UK research, conducted by GfK, shows that although sales of analogue televisions are declining, they still account for six out of ten sets sold in the UK. Digital UK is promoting the 'digital tick' logo which has been developed to help shoppers identify approved switchover-ready products and services and is now being used in more than 2,000 electrical stores nationwide.

Laurence Harrison, Director of Consumer Electronics at Intellect, the trade body for the UK's high tech industry, said: "These statistics clearly demonstrate consumers' appetite for digital TV products. We fully expect this trend to accelerate further and are working closely with manufacturers and retailers to support the continued transition from analogue to digital products in the run up to switchover."

The findings come on same day that joint Ofcom/Digital UK research shows seven-out-of-ten people are now aware of switchover. The tracking survey indicates that awareness is highest in the Border TV region, the first to start switching over, where 89% of people have heard about the change. Above average awareness was also recorded in the other lead regions, West Country, Wales and Granada.

Ford Ennals said: "Switchover still holds major challenges, not least ensuring that all consumers are aware of what's happening and that they prepare in plenty of time. I'm pleased that less than a year into our campaign, national awareness continues to grow steadily and that nine out of ten people in Border have heard about switchover."

To help prepare the country for switchover, Digital UK is running national and regional information campaigns. Approximately six million information booklets have been delivered to homes in the first four regions to switch, backed up with television, radio and print promotions.

For further information people should call the Digital UK helpline on 08456 50 50 50 or visit www.digitaluk.co.uk

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Notes

Sales of analogue and digital television equipment Q3 (July-Sept) 2006

Source: GfK Retail & Technology

Analogue TV Products	Sales (000s)	Year on year change (Q3 2005)
Analogue TV	935	-24%
VCR	115	-38%
Analogue DVD recorder	261	-15%
Total analogue TV equipment sales	1,310 (49% of total)	-24%
Digital TV Products	Sales (000s)	Year on year change (Q3 2005)
iDTV (digital tuner built in)	531	+183%
Digital TV recorder (DVD and hard disc)	108	+342%
DTT set top box	795*	-2%
Total digital TV equipment sales	1,390 (51% of total)	+39%
Cathode Ray Tube (CRT) v Flat panel TV	Sales (000s)	Year on year change (Q3 2005)
CRT	558	-40%
Flat panel	907	+83%
Analogue TV Set Sales v Digital TV Set Sales	Sales (000's)	% of overall sales
Total analogue TV sales	935	64%
Total digital sales	531	36%

*includes 45,000 sales of combined recorders/set top boxes

Awareness of digital television switchover in four lead regions

Source: Ofcom/Digital UK Switchover Tracker (GfK/NOP) 1,963 adults

	Q2 2006 (%)	Q3 2006 (%)
National	66	70
Border	82	89
West Country	77	86
Wales	71	77
Granada	64	71

- notes follow -

About Digital UK

Digital UK is the independent, not-for-profit organisation leading digital television switchover in the UK. The company manages the upgrading of the UK's 1,154 television transmitters for digital; explains switchover to the public; and works with industry to ensure understanding and support for switchover. Digital UK is funded by the public-service broadcasters and multiplex operators. Consumer helpline 08456 50 50 50. For press pack and material visit digitaluk.co.uk/press.

About switchover

Starting in 2008 and ending in 2012, TV services in the UK will go completely digital, region by region. The UK's old analogue television signal is being switched off and replaced with a digital signal. This will create a fairer situation in which everyone has access to a choice of affordable digital services. Switchover will also allow the UK to remain a world leader in broadcasting.

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