

BETWEEN OURSELVES

Like every year, the whole industry was keeping its finger closed for Diwali sales to materialize. We have received mixed reports. While the big companies have reported very good sales and high growth, as compared to the sales of their products last year, some of the regional players have reported moderate growth. Though from the data that one sees from various sources shows that the regional players this year have improved their market share by couple of percent, at least in the TV segment. The regional players have been facing unfair competition from the grey market operators and it is unfortunate that inspite of our efforts, the grey market continues to thrive, obviously with connivance of corrupt govt. officials.

The market for energy efficient products needs to be encouraged. CEAMA has working with Bureau of Energy Efficiency for the star labeling programme for home appliances & consumer electronics products. CEAMA has also welcomed the govt's decision to make star labeling system mandatory for two products, viz. frost-free refrigerators and Air conditioners, w.e.f. January 2010. The industry has even asked BEE to include direct-cool refrigerators in this list. As per one report, the energy conservation programme of which energy efficiency of home appliances and consumer electronics is a very minute part if implemented could contribute equivalent to 150,000 Mw of power. However charging of labeling fee by the govt. for energy efficient products needs to be reconsidered. In most of the developed world, the manufacturers of energy efficient products are incentivized. But in India levying of labeling fee became a dis-incentive as the manufactures already incur additional cost in terms of product design, tooling, etc. Also while for energy guzzlers products like ACs and refrigerators, it may be the beneficial for a consumer to have a energy efficient products from life-cycle cost point of view, however, for consumer electronics products, where the energy consumption is much lower, it may not be so. Therefore there is need to reconsider the issue of labeling fee.

The consumer electronics and home appliances industry is growing rapidly, due to increased demand. While the assembly of most of the products is taking place here, the value addition within the country is low, as there is substantial import content. At this stage when the industry is set for a high growth, it is important that the component base should be strengthened. The industry and the govt. should take necessary steps together to ensure a strong component Industry in the country.

— Suresh Khanna

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CONSUMER ELECTRONICS INDUSTRY

— *By Suresh Khanna Secy. Gen. CEAMA*

When India got independence in 1947, there was no industry at all. In some homes there were radio sets based on valve technology and these were imported. The only activity was that of trading and repair and servicing of these radio sets. Gradually, some of the enterprising traders set up small repair units. In the early 1960s, when the transistor technology was introduced, portable radio sets became popular. Initially these were also imported and there were some multinational brands, which were present in the Indian market. Gradually, these radio sets started getting assembled here in the country with imported kits.

The growth of consumer electronics industry has been closely linked with the TV sets, which continues to be the main driving force of the whole consumer electronics segment. And the growth of TV sets has been dominated by the developments in the broadcasting. In the late 1960s, Black & White TV transmission was started initially in major cities. The technology for Black & White TV sets was developed indigenously by CEERI, Pilani and four Indian companies got license to manufacture Black & White TV sets. In spite of the fact that transmission was available only in major cities and the transmission duration was only for a limited time in the evening, the market for TV sets began to grow. There were many constraints at this stage. There was only a limited content that was available at that time. Chitragar programme based on Hindi film songs and Hindi movie on Sunday evenings were the most popular programmes. The other constraint was that there was limited supply of TV sets. It was a seller's market, which resulted in high prices of the TV sets. Since there was good demand for TV sets, the govt. levied heavy taxes, thereby putting this beyond the reach of even the middle class people. However, in spite of these constraints, the market for Black & White TV sets grew. Indigenous TV production was helped due to availability of indigenously manufactured Picture Tube, a critical component of TV set.

India hosted Asian Games in 1982. The govt. decided to start Colour TV transmission to cover the Asian Games. There was resistance from some quarters in the name of using appropriate technology for a poor and developing country and there were voices that said instead of investing in CTV transmission, the govt. should spend more for the up-liftment of poor people. It was our good fortune that the govt. looked at long term perspective and decided to introduce CTV transmission, in spite of resistance from some quarters in 1982. This resulted in huge growth for the TV industry. Initially, the kits were imported through the govt. agencies and distributed to the license holders. Doordarshan helped in the growth of TV market by setting up transmitters to cover more population in the country. However, the constraints like limited time of transmissions and limited availability of content continued to hamper the growth. Also the govt. seeing that the sale of TV sets were growing, started levying heavy taxes on TV sets. Because of these constraints, the TV market started showing negative growth in 1988. The production of TV sets fell from 1.3 million in 1988 to 0.83 million in 1992.

Two things that happened in 1992 had a very major impact on the TV industry. One was the introduction of cable TV and the other was liberalization & economic reforms carried out by the govt. Introduction of cable TV resulted in explosion of channels. Broadcasters like Zee, Sony & Star came into existence. This made a big change from one or two channels that were earlier being provided by the public broadcaster Doordarshan. More availability of content resulted in explosion of TV market. The TV sales and production started to rise exponentially.

Other major thing that happened was that economic reforms announced by the govt., allowed the use of foreign brand names, which was earlier banned. They allowed entry of MNCs into the country. However, at that time, the price of TV sets were high due to very high level taxation on

TV sets. CEAMA played a role in highlighting the issue of high level of taxes on the TV sets, which was hampering the growth of TV market. It was brought out that for a developing society such as India, the availability of TV sets at affordable prices to the masses, was essential for the socio-economic development. CEAMA got a study conducted, which stated that when the taxes are brought down, TV market would grow rapidly thus resulting in more revenue to the govt. The union govt. brought down the excise duty on TV sets drastically on recommendations of CEAMA. CEAMA also worked with various state govts. to bring down the Sales Tax on TV sets. It was fairly successful in its endeavour and the sales tax on TV sets was reduced in some of the States. Combination of these factors added to the growth of TV market in the country.

In 1993, when the govt. reduced the customs duty on TV sets & other Consumer Electronic products from 110% to 80%, the whole industry was apprehensive about the import of products, particularly from China, into the country. One remembers that many manufacturers criticized this move to reduce the customs duty from 110% to 80%. Similarly, when the govt. brought consumer electronics and home appliances products into the Open General License from the restricted list in 2001-02, there was again apprehension that it would result in a deluge of imports from China. Even when the Free Trade Agreement with Thailand was signed, which allowed reduction of import duty on TV, Colour Picture Tube, Refrigerator & Air Conditioner to 0% in a span of two years, there was much hue and cry. CEAMA was in the forefront in criticizing the govt. for this move. But the apprehension of the industry in each case turned out to be a false. It clearly shows the inherent strength of consumer electronics and home appliances industry in the country, that it has faced global competition and held its own.

The growth of consumer electronics industry is heavily dependent on the broadcasting sector, as also the technological developments, which lead to new and better products. The world is changing from analog to digital broadcasting, because of the inherent advantage of digital broadcasting in

terms of clarity of pictures, low band-width requirements etc. Countries such as America have stopped the analog transmission totally from June this year. India plans to start Hi-Definition Transmission to cover the forthcoming 2010 Commonwealth Games. This provides a challenge, as well as, huge opportunities, as it would lead to demand for HD TV sets in the country. The technological developments also affect the growth of consumer electronics & home appliances industry. Emerging of flat panel, LCD and plasma TVs have resulted in growth of the TV industry in the country. Though presently volumes are small, but it is growing at more than 100%. Globally the flat panel TVs market share has become more than 50%. It is expected that in India also by 2013, flat panel TVs will overtake the CRT TVs., as the prices of flat TVs decline. Another technological development that is taking place is the Organic LED (OLED) TVs. Huge growth of flat panel TVs is also resulting in a growth of Home Theatre System. Introduction & growth of Direct-to-Home (DTH) has led to huge requirement of Set Top Boxes (STBs). But unfortunately due to wrong policies of the government most of the requirement of STBs so far has been met by imports. It is hoped that gradually the requirement of STBs would be met by the Indian manufacturers.

Government Policies

Though the reforms and economic liberalization has made things somewhat easier for consumer electronics industry, leading to unprecedented growth, there are still some steps to be taken to ensure that the industry realizes its potential and contributes significantly to the national economy. Presently, the penetration level of TV sets in the country is only around 40%, whereas in other developing countries such as China, Thailand, Malaysia, etc. it is much higher. It must set to the credit of the govt. that it is moving in the right direction, as far as the tax reforms are concerned. Introduction of State VAT in place of Sales Tax was a very welcome reform. Mr. Pranab Mukherjee, Hon'ble Finance Minister and Dr. Asim Dasgupta, Chairman, Empowered Committee of State FMs are making determined efforts to introduce uniform Goods & Service

Tax (GST) by next year. If implemented, it would be a watershed in tax reforms. CST, which has been reduced to 2%, is a big disadvantage to the indigenous manufacturers, which is not suffered by the imports. Presently, there is a plethora of taxes, particularly at the state and local level such as Octroi, surcharge, entry tax, etc. This leads to a complex tax regime at present, which encourages unscrupulous businessmen to indulge in all kind of malpractices. Both the union and state govts. have resorted to tax exemptions. This has had a very adverse effect on the industry. One cannot understand the rationale of the govt. encouraging consumer electronics and home appliances assembly units in Uttaranchal or Himachal Pradesh. Due to attraction of tax incentives, manufacturers have put up units in these states. It has created its own problems of logistic and quality. The infrastructure in these places is not up to the mark. One does not see the rationale when the whole inputs are being sent to these locations and the finished products coming back to be sold in other parts of the country, thereby adding to the cost. The Indian manufacturers make "state-of-art" products and thus they have to compete with China, who have achieved economies of scale. In China 20 million microwave ovens are manufactured at one production unit in a year. Compare this to a product such as TV being produced in thousands in a unit in Uttaranchal.

Industry Status

Presently, the industry can be broadly divided into three segments. National and Multi National players, who have an all India presence, Regional players, who cater to mostly rural areas and the Grey Market operators, who evade all kinds of taxes and sell sub-standard products. The industry is faced with the situation of fragmentation of capacities due to faulty tax regime, as brought out earlier. There is a need for the industry to build economies of scale. Presently, there is severe competition, which is resulting into wafer thin margins for the industry. Regional players are facing tough situation, as they have to fight the price war with the grey market operators. Because of the very low margins, the industry is not

investing in Research & Development, in adequate measure. As far as the quality of the product is concerned, it is of international standards. The industry is handicapped due to a very weak component base. Presently most of the units are relying heavily on imports. With improvements in technologies, the reliability of the products has increased substantially and in the mean time, the Mean Time Between Failures (MTBF) of the products has also improved vastly. Due to severe competition, most of the companies have set up after sales service, wherein complaints are normally attended promptly. However there is some room for improvements, as any lapse in this particular aspect, results in bad name for the whole industry. CEAMA had suggested the idea of Industry Ombudsman to ensure better consumer satisfaction resulting in better Industry image. But it has not materialized.

Road Ahead

The productivity levels of Industry have improved vastly over last fifteen years, but we are still behind China, in this respect. Efforts must continue to improve productivity to be globally competitive. Efforts must be made to strengthen the component industry. Unless we have strong component industry, India cannot hope to be manufacturing hub for our sector. Industry, particularly big players, needs to pay more attention to R&D. Over a period of time some consolidation in the industry is bound to take place. Companies which have a long term vision will prosper & grow.

As the penetration level of consumer electronics and home appliances products is low at present and with economy growing at healthy rate of about 8 - 9% per annum, it is projected that there would be expanding middle income group of about 350 million households in the country. Coupled with this, the introduction of new products, due to technological developments provides huge opportunities, for the growth of the sector. If the industry and the govt. work together, the consumer electronics and home appliances sector could be an engine of growth for the Indian economy, as had happened in Japan after the Second World War and subsequently in Korea, China and South-East-Asian countries.

DISH WASHER

— *A Report from China*

Executive Summary

Dish washer is also called tableware cleaner, it's a household appliance used to wash bowls, dishes, cups, plates, spoons and so on. The operation principle is shooting the hot water with detergent at dirty kitchen wares, then drain away the detergent water after rinse, wash them again with clean water. In the end, dry them off with afterheat or heating element. So some countries call dish washer as dish dryer.

The dish washer is still one of the most unpopular of domestic appliances despite its numerous benefits and sophisticated technologies which drive them. However, there are positive signs that this is likely to change. People need dish washer's contribution to the domestic chores, but don't want to see or hear it. The dish washer is usually the last thing they are prepared to make room for in their increasingly smaller kitchens. The dish washer is the most misunderstood and maligned of all appliances, as consumers still believe they waste energy and water. As a matter of fact, they do exactly the opposite. Electronics have made the dish washer not only energy and water efficient but very intelligent indeed - at the top end of the market, the appliance, via its sensor-driven system, will set the most appropriate programme for the load."

The market indicators show positive changes. The dish washers market has exhibited consistent growth this year with volumes over the year to November growing by nearly 5% to 930 thousand units. Despite some price erosion, value has been driven up by this rise in sales to 272 million, 3.5% up over the same period. Built-in appliances have been the key drivers of this with sales increasing by an incredible 27%.

Furniture and DIY specialists have been the main beneficiaries of the increase in built in activity, with 60% of the market still constituted by freestanding appliances.

The significant increases in dish washer sales have pushed UK penetration levels of the appliance to new heights. Conservatively, it is now estimated that one in three households now own a dish washer and this suggests that replacement levels may also be higher going forward. Someone even estimates that dish washers' penetration is at 37.5%, and forecasts further growth to 45% by 2011.

There are a number of factors which are driving these positive changes in the market. The first is the phenomenal growth of built-in dish washers which is largely attributed to the trend for sleek, uncluttered kitchen styles. Commanding 32% of the market at present, the popularity of integrated appliances is expected to continue at pace, not only as consumers are now looking for coordinated appliances across the entire kitchen, but also as the number of programmes, temperatures and size options in this sector rivals its freestanding counterparts. The diminishing price gap between the freestanding and integrated dish washers boosts the popularity of built-in dish washers.

Environmental factors are keys too. As the awareness of individual carbon footprint rises, consumers are now looking to balance appliances that will have a positive impact on their lives with time and energy efficiency. Many middle and top of the range dish washers use between 9 and 15 litres per cycle, while the average shower takes around 12 litres per minute. Approximately 50% of the freestanding dish washers use less than 14

litres of water, while 71.2% of them are AAA rated (a growth of 9.6%).

As the kitchen becomes the centre of family life, the noise levels of all appliances are becoming increasingly important. The latest advances in dishwashing include huge progress on silencing the machine. Around the mid-40 decibel mark is where the quietest dish washers sit and whisper their way through the programmes.

In the majority of modern homes, space is at premium. In response to this trend, dish washer manufacturers brought to the market slimline or compact models, so the owners of smaller households no longer feel that the dish washer is out of their reach. For example, Team UKI has developed a compact dish washer which nevertheless features the most popular programmes, such as rinse, long and short cycle.

The slimline market has increased by 5%, indicating that dish washers are becoming more of a commodity even in smaller homes.

A dish washer will use, on average 15,000 litres less water in a year than washing up by hand. That is the equivalent saving of 188 baths. On average, electricity savings will be around 30 per year as opposed to that used heating water to run from the tap. The most precious commodity, however, is time, and an average of over 400 hours per year can be saved by using a dish washer as opposed to standing at the sink and washing up by hand. A dish washer will save space, as all dishes can be stacked away neatly in the machine. This is a far better way of drying than using dishcloths; as they can be a breeding ground for harmful bacteria.

The latest innovations on Miele dish washers include turbothermic drying (using filtered air to ensure that the items are dry, and hygienically clean), sensor wash programme (adjusting

temperatures, running times, water and electricity consumption to the level of dirt on the dishes), Navitronic touch control which allows the customer to manage a wide range of wash programmes by touching the LCD, and a motor assisted Auto Close function which "allows the dish washer door to be closed effortlessly, much like the Mercedes S Class model."

Gorenje dish washers feature a unique drying method which uses heat created within the machine to dry the crockery, rather than using potentially "dirty" air drawn in from the kitchen.

The Electrolux Talky dish washers talks users through the operation, and on the AEG-Electrolux F80870 the noise level is as low as 41 db. The latest Whirlpool dish washers feature PowerClean function which uses 32 high pressure jet sprays which can clean burnt-on soil from pots and pans without pre-rinsing. Maytag's Vara is equipped with automatic programmes that sense the load and set the temperature, time and programme automatically. However, it also has quick wash and mixed wash programmes, and delayed start option - up to 24 hours.

Similarly, BEKO's DWD8657 dish washer features an autosense programme which determines the level of dirt in the water, but also it has one of the quickest A-rated washes in just 58 minutes.

The new Electra range, due out in the spring, will have a half load facility that can be used with both baskets, and large LCD panels offering more information (such as "please close the door" if the door is open or "press start").

After several decades of development, dish washer has reached a considerably perfect degree on technology level. Develop new products, energy and water conservation, noise reduction are main development directions of present dish washer.

Industry Overview

Global Market

Europe: Dish washer stemmed from Europe. As early as 1927, Germany had produced the first simple dish washer in the world. According to the 90s statistics, dish washer's popularity rate, output and sales volume are as table below:

narrow in Japanese family, it couldn't contain too many machinery equipment. 2. The technology of dish washer was not mature, the American style dish washer was not able to clean the different shades of Japanese tableware. Japanese live on rice food, the residue and oil stains couldn't be washed off easily. In recent years, the problems mentioned above has been broken,

	Switzerland	Sweden	Austria	Germany	France	Holland	England	Spain	Turkey
Popularity rate(%)	51	49	43	42	38	24	20	19	13
Output (ten thousand units)		12	0.2	3.5	29.2		24.5	32.9	12
Sales Volume (ten thousand units)		11	15.5	171.5	76	24	51.5	34	31

The main dish washer manufacturers in Europe include: German Bosch, Blomberg, Simens, Italian Zanussi, French Thomson, Swedish Electrolux and so on.

USA: America currently occupies the highest popularity rate of dish washer, as early as 1996 this rate had already reached 54.9%. At the same time, America is also a great power of dish washer manufacture, the output is global No.1, keeping more than 3 million units in recent years. The main production companies are GE, Whirlpool, Design & Manufacturing, WCI and Maytag.

Japan: Japanese dish washer's develop is later than other household appliances. In 1960 Panasonic produced the first dish washer, later 33 years than Europe. And after that, the dish washer industry kept standing still until 1986. However, the output was not very large, and the popularity rate was lower than Europe and America. Dish washer was not very popular in Japanese market. Apart from traditional view's reason, there are also following objective factors: 1. The kitchen space is very

Japanese dish washer market began to take a shape and appear the special detergent of dish washer. At present, Panasonic, Mitsubishi, Hitachi, Sanyo, Sharp and Toto digital appliance company all produce dish washer. The competition direction of Japanese manufacturers is small-sized, high performance, shorten cleaning time and reduce operating noise.

India: Dish washers are getting a gradual entry into the kitchens In India. Indian Kitchens until recently were not used to dish washer appliances, but with the advent of a more metropolitan lifestyle and an increase in the working population especially among women has made dish washers an essential kitchen aid. Consumer reports show a rise in the dish washer sales in the working capitals In India. India is a growing market for dish washer appliances, which has compelled all the leading world brands like Bosch, Maytag, IFB, Whirlpool, Miele, GE, Asko, Siemens, Electrolux, Fisher and Paykel etc. to introduce their best dish washer products and the best price deals to the Indian customer.

China

In China, every family is bothered by the dish washing after three meals a day, therefore, someone says dish washer is "the second liberation of housework". The first liberation is the invention of washing machine. In developed countries of Europe and America, dish washer's popularity rate is as high as 60%~70%. The first dish washer was produced in China during the 80s of last century, among following ten years the output and sales were only more or less than 30 thousand units. At that time, there were many brands like "Wan Jia Le", "Shui Xian", "Jing Mei", "Yi Bai Na" and so on. Restricted by living standard, more than 1000 yuan a dish washer is undoubtedly a luxury good. Overstocked products cause the successional off production.

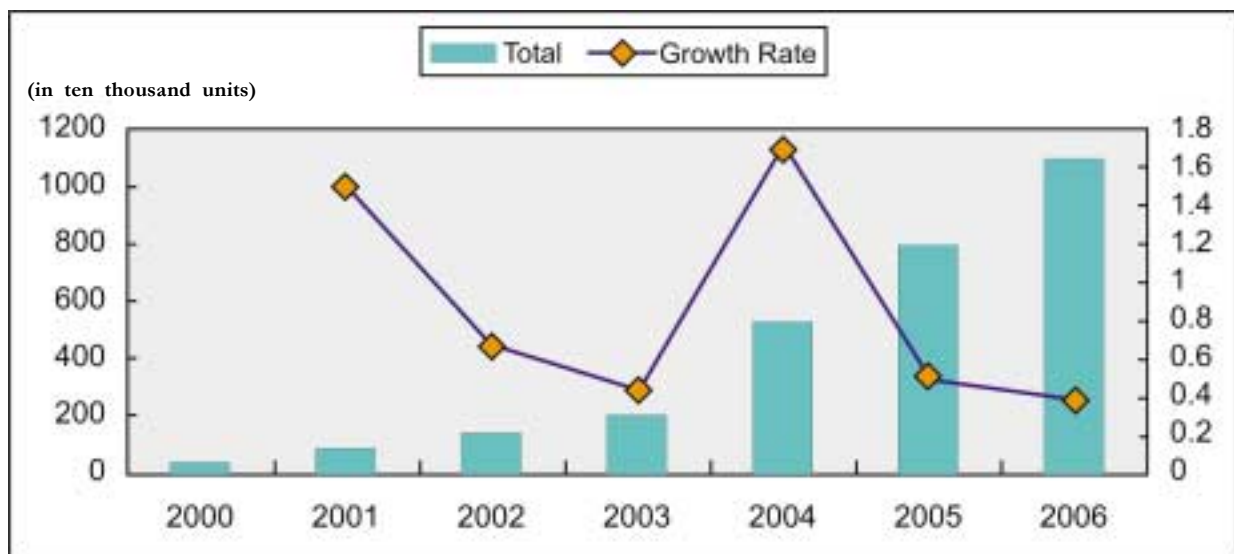
While in recent years, a lot of household appliances tycoon like Haier, Little Swan, Midea and Aucma all entered the dish washer industry, the recessing market finally appeared a turn for the better. The statistical data shows that the dish washer is the fourth buying intention target of urban residents after microwave, mobile phone and air

conditioner. The intention purchase rate is 26.71%, has become one of the fastest increasing sales volume appliances products. These informations indicates that the dish washer is going to be another consumption fads of appliances field. The Chinese family popularity rate of dish washer is far lower than developed countries. Therefore, the potential market space of dish washer in China is very huge.

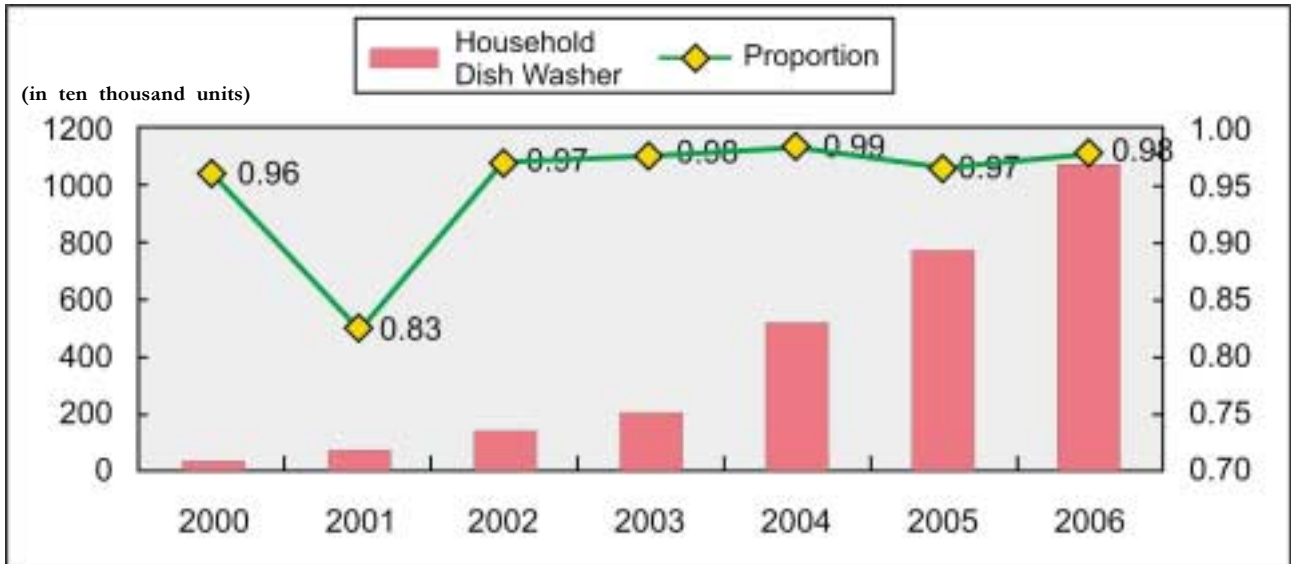
The popularization and application of dishwasher is influenced by usable area of family kitchen, water & electricity price, the usage of special detergent, life and consumption concept and habit and so on. Along with the electrification of house work and the escalation of urban house living area. The dishwasher industry has a larger developmental portential. According to investigation, the market demand of dishwasher in China urban population has reached more than two million units, in big cities like Beijing, Shanghai and Guangzhou.

Dish washer in China is a product mainly export rather than import. We can understand its export structure from following graphs:

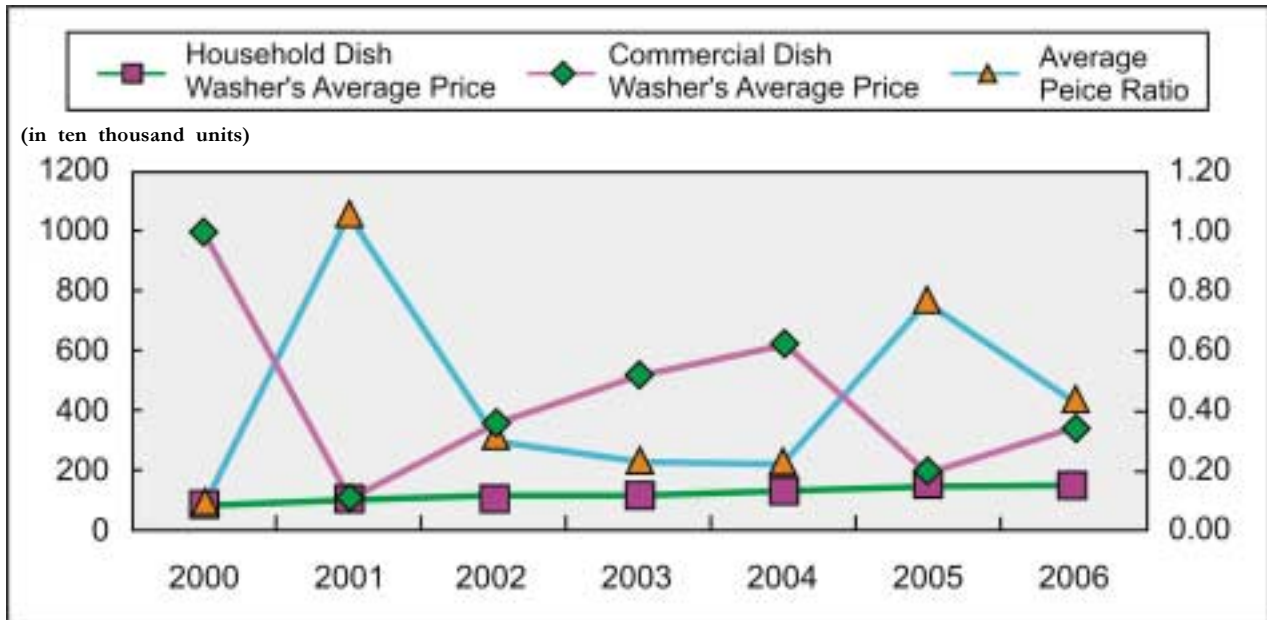
Graph 1: The Fluctuating Situation of Chinese Dish Washer Export Levels



Graph 2: The Fluctuating Situation of Household Dish Washer Export Levels



Graph 3: The Fluctuating Situation of Chinese Dish Washer's Sub Product Export Average Price



Seeing on the whole, Chinese commercial dish washer's exporting average price is far higher than home-use. From 2000 to 2006, the fluctuation of exporting commercial dish washer was wider, the

unit price fell from highest \$998/unit in 2000 to \$98/unit in 2001, only one tenth of exporting price in 2000. Then before 2004, the commercial dish washer's exporting price recovered a little,

but still lower than 2000. The average price of exporting commercial dish washer was fluctuating decline.

While from 2000 to 2006, the home-use dish washer's exporting average price was keeping rising year by year. Rise from \$85 per unit in 2000 to \$151 per unit in 2006, almost double up in short 6 years. But the exporting average price didn't change a lot.

During the next ten years, there will be almost 33% residents in China move in new houses, it means more than 2.6 million kitchen appliances on average need to be replaced every year. Well-behaved market prospect prompt many foreign appliances corporations like Simens, Electrolux to build factories in China. Represented by Haier, Chinese appliances corporations also enter into this market actively in order to gain more profit.

Main Brands

"Littleswan" Dish Washer

Employ Europe technology, specially design for Chinese family. It owns three temperature degrees, seven procedures. Get "disinfection, clean, soft water and drying" all together in one machine.

"Pu Ai" Dish Washer

Produced by Qingdao Aucma Group. All plastic structure, never rust. It can kill all kinds of bacteria in cooperation of "special detergent". You can choose from different color. The whole washing process includes water inflow, clean, heating, disinfection, water draining, renew water, drying and blackout. It's fully automatic.

"Revolving Supporting Frame" Dish Washer

The supporting frame used to place the dirty tablewares is hung on the top of the scullery basin, and then the supporting frame revolves under the

impulse of rinse water so that making the position of dirty tablewares and hot water nozzle change constantly. Thus obtain a better cleaning effect. Because of the electric water heater and water pump equipment, it also be able to supply hot water.

Disinfection Dish Washer

It is consisted of a case with sealed roof cover, wash bucket, electrical control equipment and revolving nozzle. On the bottom of the case there is an ozone pneumatic pump connecting with the airway tube. The tube passes through the side wall of wash bucket, go into the inner part. The exit of tube is near the bottom of wash bucket.

"GE" Dish Washer

Produced by American GE Company. It is a type of multifunctional and large capacity dish washer with six kinds of cleaning procedures and three kinds of humidifying settings. It automatically assigns detergent and is equipped with isolator and built-in water softener. The inner wall and dovetail are all made of stainless steel.

Energy-efficient Dish Washer

In order to produce the qualified dish washers which conform to the "Energy Saving Index" put forward by Energy Department of America in 1994, the dish washer manufacturers combine many filters together to improve the recycle manner of filtered water. At the same time, they also narrow the bath pool of motor to reduce the water demand. Some companies adopt dual pump system to supply water. In European market, one pump is used to supply water and recycle, the other one is used to drain off the waste water. Because 80% of dish washer's energy expenditure comes from heating water, saving water is equal to saving energy.

ATAG

ATAG's luxury line of dish washers for 2009 has seen the launch of a whole range of new models featuring the very latest technology and incorporating user-friendly features, signalling the company's strong commitment to a product sector that has yet to reach its considerable potential in the UK market.

New dish washer owners wonder how they ever managed without one, but the low penetration rate of this sector means that a strong sell is essential and that the product itself must be a truly viable and versatile proposition that stands apart from its competitors. ATAG's fully integrated VA6511NT model quite literally hits the heights. The 600mm dish washer can be sited either traditionally under a worktop or it can easily be installed at waist height in a tall housing unit by way of a smooth and fast assembly system. The high quality that consumers expect of the ATAG brand is therefore accompanied by the flexibility now demanded by discerning buyers.

Discreet in situ but with a rock solid feel, the VA6511NT has a wealth of top class features to make life easier. Immediately noticeable is the quiet noise level and has triple 'A' energy ratings and a water consumption of just 14 litres.

Its capacious cavity holds 13 place settings and there are four programmes and four temperatures (Intensive, Normal, Eco and Fast). ATAG's National Sales Manager, Graham Gleave says: The dish washer market is ripe for growth and will climb steadily once the economy revives, which is why we at ATAG are positioning ourselves very deliberately as serious contenders with an excellent product portfolio. The VA6511NT dish washer is a great example of the new models that can be found in our built-in appliance collection and our MAGNA Design Line selection of exclusive and superior products.

Market penetration of dish washers in Britain is still only around 30%, whereas 60% of German households and 80% of Swedish households are equipped with a dish washer. When the housing market picks up in earnest, so integrated dish washers and other kitchen appliances are expected to thrive and grow their share of the market.

People in general are gradually getting the message that a dish washer is a time- saving, labour-saving and environmentally friendly appliance that saves money compared with washing by hand. The design and style of these appliances have improved out of all proportion since they first came on to the market. As well as being fully integrated and super quiet, our VA6511NT has a terrific selling point in its flexible height installation option.

Key benefits of the ATAG fully integrated VA6511NT dish washer:

- Triple A energy ratings
- 13 place settings
- Flexible installation including into a tall housing unit
- Fast assembly system
- Very low noise level of 48dB(A)
- Economical water consumption of 14 litres
- Four temperatures and programmes (Intensive, Normal, Eco, Quick)
- Height adjustable top and flexible bottom basket equipped with two folding supports for division of pans and plates
- Cutlery basket which can be split into two and third level knife holder
- Automatic and special facility function
- End of programme indicator - LED projection on to the floor

- Heat exchanger and no exposed heating element - condenser drying for efficiency and economy
- Delayed start to access cheaper rates of electricity
- Audible programme-end signal
- LED salt-rinse aid indicator
- Aqua stop system for automatic water protection preventing overflows.

Chinese people believe in "Illnesses often find their way in by the mouth", they are always strict with the dish washer's clean standard. Ultrasonic dish washer can exactly solve these problems. The

usage frequency of dish washer is higher than washing machine, and in winter people are not willing to wash dishes by themselves. If the product fits their requirements, people will be glad to accept it, the market prospect will also be very spacious. The popularity rate is more lower, the market potential is more larger.

The ultrasonic dish washer cleans with the high-frequency vibrating water, so the cleanliness is outstanding and there will be no spot that can't be washed. It is very suitable for Chinese tablewares. The other features like water-efficiency, electric-efficiency and low-noise also make it an ideal choice.



Mr. R. Zutshi, Dy. Managing Director, Samsung India, received the award in the Consumer Durable Category of "Business Leadership 2009" by NDTV from Mr. Pranab Mukherjee, Hon'ble Minister of Finance.

CONSUMER ELECTRONICS NEWS

Samsung Chennai unit to make home appliances

Samsung India Electronics Private Limited, a subsidiary of Korean electronics major Samsung, is planning to set up a manufacturing facility for home appliances adjacent to its existing facility at Sriperumbudur, near here. The company is planning to invest around \$70 million over the next two years. So far the company had invested \$30 million in the Chennai plant. The company's exports stood at around Rs. 530 crore last year. These were expected to touch Rs. 1,000 crore this year. The company had committed investment of \$100 million between 2007 and 2012 at Sriperumbudur of which \$30 million had been invested. The facility created 320 direct jobs and 450 in-direct ones.

— The Hindu Delhi, October 2, 2009

Durables makers eye cinema-at-home pie

With home entertainment turning out to be a huge money spinner, consumer electronics majors like Philips, LG Electronics, Panasonic and Samsung plan to focus on home cinema as their future growth driver. These companies plan to roll out newer products which are cinema proportioned, so that they can deliver 'true' cinema experience at home. Philips, for instance, has decided it will evolve its consumer electronics business in India around products that deliver cinematic experience at home. Korean white goods major LG, too, has plans to make its newly launched 'Jazz Theatre' range of LCD TV as its flagship product in India. Panasonic and Samsung are also innovating on their product range and bundling home theatre audio systems along with their flat panel TV.

— The Economic Times Delhi, October 3, 2009

Samsung's Chennai plant to go on stream next year

Samsung India Electronics, the South Korean consumer major, is all set to manufacture home appliances at its Sriperumbudur plant near Chennai from 2010, said Ruchika Batra, a spokesperson of the company. Speaking to the visiting journalists at the 80 acre company plant at Sriperumbudur in Kancheepuram district, 40 km from here, on Thursday. Batra said that as of now the Sriperumbudur plant had been manufacturing CTVs, LCD TVs, colour monitors and front load washing machines and the time has come for expanding its operations by producing home appliances like air-conditioners, refrigerators and washing machines to meet the ever growing demands for consumer durables.

— The New Indian Express Chennai, October 3, 2009

Expect greener fridges, ACs by 2030

India will phase out hydrochlorofluorocarbon (HCFCs), chemicals causing global warming but widely used in refrigeration and air-conditioning systems, by 2030. "We are going to freeze the use of HCFCs at 2009 levels by 2013. By 2015, we are going to mitigate their use by 10% as compared to 2009 levels and bring it down to zero by 2030," Union environment minister Jairam Ramesh said after unveiling the country's road map to phase out the ozone layer-depleting chemicals at a function here on Tuesday.

— DNA, Mumbai, October 7, 2009

Early Diwali cheer for consumer durables firms

Kamal Nandi, vice president (marketing) at Godrej & Boyce, has got into a Diwali mood rather early this year, with reason. The company's sales in September have gone up by 35 per cent in the same month last year. Godrej & Boyce is a case in point. Durables companies, including Godrej, Whirlpool, LG Electronics and Samsung Electronics, have lined up investments worth Rs. 1,000 crore over the next few months for product launches, research and development (R&D) and to expand capacity at their existing manufacturing plants. Whirlpool for instance, is targeting Rs. 500-600 crore this year during the festive (September to November) months, a 25-30 per cent increase over the corresponding period last year.

— Business Standard Kolkata, October 08, 2009

A look at the LCD

LG Electronics announced the launch of its all new 'Jazz' sound series of LCD TVs in India. With the launch of 'Jazz Theatre' (LH60 series) and 'Jazz Atom', LG India now has a robust portfolio of three different series of sound-focused LCD TVs in India. Both products boast high dynamic contrast ratios of 1,50,000:1 and 1,00,000:1 respectively along with the IPS -- Advanced LCD Panel manufacturing technology adopted by the company in these TVs.



— The Asian Age, Delhi, October 8, 2009

LG expects Rs. 14k cr revenue this fiscal

Korean electronics giant, LG India, expects to close the current fiscal with Rs. 14,000 crore in revenue, a growth of about 25 per cent over the previous year. "We expect our topline to grow to Rs. 13,500 - 14,000 crore by this December-end. Last year, we clocked a sales of Rs. 10,500 crore," LG Electronics, director marketing, V Ramachandran, told reporters here today. The company is also targeting a compounded annual growth rate (CAGR) of 25-30 per cent in revenue over the next three years, he said.

— The Political and Business Daily, Delhi, October 10, 2009

Consumer brands are aggressively trying to cash in on the festive spirit in a bid to boost sluggish sales

As economic slowdown bottoms out and consumer confidence rises, the retail brands already have reasons to celebrate. Samsung, for instance, is expecting to notch up sales of Rs. 1,700 crore in the September - October period in its consumer electronics products section. In terms of growth, it implies a 40% rise in sales over the corresponding period last year. "The festival season represents the peak selling period for us. The market pick up has been good and we are well on our way to achieving the targeted sales figure," says R Zutshi, Deputy MD, Samsung India adding that its LCD TVs are expected to register a growth of over 100% in the festival period. New products, freebies and special consumer offers seem to have played the trick for Samsung. A new corporate campaign in place, the company is doling out assured gifts worth Rs. 25 crore, besides making available triple zero finance offers.

— The Financial Express, October 11, 2009

Crackers of Deals

Consumer Electronics

- Entry level 40-inch LCD TV (top brands) Rs. 65,000 - 70,000 down 10%, assured free gifts on some brands and models.
- Samsung is giving away a 22-inch LCD television free with the purchase of an LED television of 40-inch and above screen sizes.
- Godrej is offering microwave for free with certain models of frost-free refrigerators and 5-star rated split air conditioners
- Entry level 32-inch LCD TV for value, price fighter brands available at Rs. 23,000 - 25,000.
- Companies such as Sony, Samsung, LG and Voltas are offering interest-free finance schemes, some even translating into zero down payment and processing fee.

Retail

- All retail chains are offering decent discounts on almost all items.

— The Economic Times, Delhi, October 12, 2009

Consumer durables post 22.3 per cent growth in August

Consumer goods drove industrial growth in August. Consumer durables like refrigerators, washing machines and TV sets posted a hefty growth of 22.3 per cent during the month, against a meager 3.9 per cent growth in the same month last year. "The festival season will definitely contribute to industrial production growth. The consumer durables business has been growing in the past 10 months. There is a positive trend now," deputy managing director of Samsung India, R. Zutshi, said.

— Financial Chronicle Delhi, October 13, 2009

Bundled offers flood durables market

Haier Appliances India, for example, will celebrate Indian womanhood with the 'Haier Bhagyalakshmi offer' - a scratch card offer giving assured cash back of up to 100 per cent on purchase of any Haier refrigerator, washing machine, AC or colour TV. Last year, they offered customers an opportunity to visit China. This time, they are offering a wild card entry in a renowned contest. Not to be left behind, Godrej & Boyce has associated itself with the movie Alladin, releasing this Diwali. Lucky winners will get one assured lifestyle product (which costs between Rs. 700 and Rs. 4,000) or an opportunity to act in an Eros movie, or a meeting and dining with Amitabh Bachchan. And Samsung is giving a 22-inch LCD TV free with the purchase of an LED TV of 40-inch and above screen sizes.

— Business Standard Delhi, October 16, 2009

Diwali lights up durables sales

Consumer durables companies are making money like never before. Several new launches along with festive schemes have helped major consumer durables companies like Samsung India Electronics, Godrej Appliances and LG Electronics India exceed their growth targets for September. According to estimates by Consumer Electronics and Appliances Manufacturers Association, the festive season which extends from September to November, accounts for around one-third of the total sales of Rs. 35,000 crore domestic consumer durables market. This translates into Rs. 12,000 to Rs. 15,000 crore in three months.

— The Financial Express Delhi, October 16, 2009

Weston brand to re-enter market

Dixon Technologies, the company which owns the Weston brand, is looking to re-enter the domestic market in a big way. The company, which is an OEM supplier to several large durables and appliances company, said it is stepping up its presence in the set-top box market, besides setting up a plant for LCD TVs at Sriperumbudur, near Chennai. "We want to expand from just being an OEM supplier to manufacturing and retailing our own brand. Our eighth manufacturing plant for LCD in Tamil Nadu is a step towards achieving this goal," Mr. Sunil Sethi, Vice-Chairman, Marketing for Weston, told Business Line.

— Business Line Delhi, October 16, 2009

Diwali sops whip up a shopping frenzy

It is time to splurge. It is Diwali. And consumers have been flocking to the city stores since the beginning of this week. The gloom of slowdown is gone in the festival of lights. Laptop, desktops, LCD TVs, refrigerators, mobile phones, washing machines, air conditioners are on the shopping lists of several Mumbaikars. With all major stores offering deals and freebies, which are too good to resist, the consumer durable market is doing brisk business. "LCD and refrigerators are selling like hot cakes," Vishal Mewani, director, Kohinoor Televideo, said "LCDs start Rs. 10,000 onwards. Refrigerators start from Rs. 6,000." He attributed this to the fact that the prices of most consumer durables had been slashed in a bid to boost sales in the festive season.

— DNA Mumbai, October 17, 2009

Diwali crackers for consumer goods cos

LG Electronics and Samsung, who together control the lion's share in the Indian white goods market, said their festive period revenues this year has grown by near 40%. "While last year, the industry saw festive sales growing by 15%, this year it is around 22%, said LG Electronics India Director (sales & marketing) V. Ramachandran. Samsung recorded over 100% growth in TV sales from Onam till Diwali, refrigerator sales by 60% and washing machines by 65%. "Total sales have upped Rs. 1360 crore so far. The growth of premium products is back on track," said Samsung India deputy MD R. Zutshi.

— The Economic Times Delhi, October 19, 2009

Festive fervor brings sales back on track

Consumer sentiment seemed back on track this festive season with sales of electronics, home appliances, white goods and apparel witnessing robust sales of 30-40% till Diwali (October 18). Consumer electronics and home appliances led the growth registering sales of 30-40% during the festive period that commenced from September. Though festive buying will continue till the month-end, consumer electronics companies like Samsung, LG and Videocon, and retailers like Future group with its Big Bazar stores, registered a huge uptrend in sales, which was more that they had expected.

— The Times of India Delhi, October 20, 2009

India's electronics exports up

India's export of electronic hardware registered an unprecedented growth of 107 per cent.

— Financial Chronicle Delhi, October 21, 2009

Diwali sales up growth projections in durables

The robust festive season sales have raised the hopes of the consumer durables industry. As compared to the mere six percent average growth registered last year, hit by negative consumer sentiment on the back of a global slowdown, this financial year the sector is expected to growth anywhere between 12 and 15 per cent. Godrej is targeting a 25-30 per cent growth this financial year. Other companies are also expecting to close FY10 with sales growth in the range of 25-30 per cent compared to last year, due to the overall buoyancy and the festive season sales. LG Electronics is expected an over 25 per cent sales growth in FY10. Moon B Shin, MD, Adds: "We expect this festive season's sales to grow by more than 40 per cent. All products saw good sales." The same goes for Whirlpool. Shantanu Das Gupta, Vice President, Corporate Affairs and Strategy, Asia South, estimates the aggregate of September + October sales to be 40 per cent above the same period last year. Samsung India clocked 40 per cent growth in September-October as compared to the same period last year.

— Business Standard Delhi, October 22, 2009

Videocon offers access to DTH television via DVD player

Direct to Home (DTH) television can be accessed now with a DVD player. For the first time in the country, D2H, the DTH service from the Videocon Group, is offering DTH via three alternate platforms to the traditional connections - by DTH enabled satellite DVD, DTH enabled LCD TV, and DTH enabled TV sets.

— Business Standard Delhi, October 23, 2009

LG gets British certification

British Standards Institution, the global standards, certification and assessment provider has issued Asia-Pacific's first certificate on energy management system BSEN 16001 to LG Electronics. LG's implementation of BSEN 16001 plays an important part in its drive to reduce greenhouse gas emissions and tackle existing environment damage.

— The Times of India Delhi, October 27, 2009

E-waste disposal is just a phone call away now

A Delhi-based company has launched the country's first helpline dedicated to safe and environment-friendly disposal and recycling of e-waste - old, dead computer, keyboards, monitors, TVs and the like. Dial toll-free 1800-419-8283, to get your electronic waster picked up from home and recycled at a factory in Roorkee, without letting any of the toxic elements sully the environment.

— Hindustan Times Delhi, November 1, 2009

40 lakh more colour TV sets to be purchased

The State government has decided to purchase 40 lakh more colour television sets as part of its project of distributing the sets free to people. This will be the fifth instalment of the purchase of colour TVs. Chief Minister M. Karunanidhi made the announcement on Thursday after chairing a meeting of leaders of legislature parties at the Secretariat. Global bids will be floated shortly. By the middle of December, they will be opened and by third week of next month, the contracts settled. Starting from February 2010, the distribution will go on up to December. The tender specifications adopted for the fourth phase of the project will be adopted.

— The Hindu Chennai, November 6, 2009