

China Consumer Electronic Products Case & Structure Market Report, 2007-2008



The consumer electronic products mainly include laptop, TV, portable multimedia player, digital camera, cell phone and digital vidicon, of which, there are professional case and structure manufacturers for laptops and digital cameras while there are few for other consumer electronics. In the TV field, most TV manufacturers have the ability to design and manufacture the injection molding cases, but only a few of them can manufacture RHCM technology cases adopted by the latest high-grade TV. With the development of the technology for manufacturing TV case, the TV manufacturers may outsource the production of high-class cases in the future.

In the portable multimedia player field, most manufacturers are assembly plants. Designing the case is the main design task for these manufacturers. Except for the production of SMT, cases are also the most important products for them. Additionally, due to the low gross profit margin, it is impossible for these manufacturers to outsource.

However, Apple's IPOD is an exception. IPOD has high gross profit margin and also pays much attention to the appearance of the case, so it is very natural for it to outsource the case production to Taiwan manufacturers, like the consistent attitude of the American companies towards dealing with business. The digital vidicon manufacturers stem from analog vidicon which has quite complicated mechanical structure and high requirements for the structures. The analog video camera manufacturers mostly are the super ones with vertical manufacturing system. By comparison, the digital vidicon's mechanical structure is simpler and it is smaller in size. Though the digital vidicon tends to adopt metal case and structure, as the manufacturers still have little outsourcing business and the gross profit rate is high, the case of the digital vidicon is almost completed by the vertical manufacturing system. However, with the further development of the price competition, a large amount of outsource will come true sooner or later.

The laptop field is the same as other IT fields; labor division is obvious. The brand companies are not involved in the production. Similarly, the manufacturers that specialize in production are not involved in the brand management. Generally the laptop has four parts: upper cover, screen frame, keyboard frame and lower cover. The top-grade upper cover and screen frame are almost made of magaluma; the medium-grade upper cover is made of magaluma, too; the low-end parts are all made of plastics. Because of the fierce price competition and fast product update in the laptop field, the laptop manufacturers have accurate positioning for their own products and brands which will not change in the short term. Currently, 55% laptop manufacturers adopt magaluma as the material of the upper cover. The proportion of magaluma will not exceed 60% in the next five years unless the magaluma price has a sharp decline. The plastic parts adopt the technology of IMD that creates more developmental space for the plastic case. So the plastic case is still competitive in the short term.

Basically, the production of the structures of laptop is monopolized by Foxconn Technology Group. As for the case, the plastic cases are mainly supplied by Ju Teng International Holdings Ltd. and Foxconn Technology Group as well as some relatively small companies including Everskill Technology Co., Ltd., Huan Hsin Holdings Co., Ltd. and Shengmei Precision Industrial (Kunshan) Co. LTD.

The metal cases are mainly supplied by Foxconn Technology Co. Ltd., Catcher Technology Co., Ltd. and Chongqing Huaifu Industry Co., Ltd. Huan Hsin Holdings Co., Ltd. was established in 1980 and manufactures information communication products, PC cases, plastic moulds and cables, etc. But its key operation is the case of the laptop and the printer. Huan Hsin founded a factory in Malaysia in 1989. Now it has seven factories in Mainland China. Its production capacity can meet 30% of the global demand. Most key clients of Huan Hsin belong to the IT and telecom industry including Siemens, Alcatel-Lucent, North Telecom, Panasonic and Sony, etc. The headquarters of Huan Hsin locates in Singapore and was listed in Singapore, too.

Shengmei Precision Industrial (Kunshan) Co. Ltd. was founded in 1996 and located in Zhoushi town, Kunshan of Jiangsu province. It has two factories (Qingyang factory and Huangpu factory) with 7,700 employees. Shengmei specializes in mould design and manufacture, NB/OA injection molding, printing, coating and assembly, sheet metal mould design and manufacture, as well as optical design, cut, print and injection of photoelectric products. Its key clients include SHARP, RICOH, CANON, HITACHI, ROSTI, DELARUE, QUANTA, COMPAL, INVENTEC and HYGRAND etc.

The case of digital camera usually adopts both metal and plastic materials. The front and rear covers usually adopt plastic and the frame adopts metal. But the medium-grade digital camera products adopt metal for the front cover. Ultra-thin digital cameras such as Sony's T-series adopt stainless steel initially, but change it into aluminum alloy at last. Some high-grade digital cameras even adopt metal to make the whole case. Additionally, the telescopic camera lens is usually protected by the metal case. The structures of digital camera usually adopt plastic, but the ultra-thin ones adopt the magnesium alloy.

The key digital camera case manufacturers include DUNTONIC of Japan, YINGHUA of Taiwan, Yorkey Optical International of Hong Kong and COXON GROUP of the Mainland China. DUNTONIC started from manufacturing the camera shutter and has built good business relationship with lots of digital camera manufacturers. It is the biggest metal case manufacturer for digital camera in the world. Cooperating with the second largest OEM of CANON in Taiwan, YINGHUA receives orders for a long term. Cooperating with the second largest OEM of CANON and the fifth largest OEM of YAGUANG, Yorkey Optical International Co., Ltd can receive orders regularly.

As for the mobile phone case, Motorola's V3 leads the tide of metal case. Motorola wanted to establish its professional status in the metal case field, but it may excessively rely on the sole model, its sales declined sharply and the mobile phone department continuously suffered losses. SAMSUNG, LG and Sony Ericsson followed the metal case tide. SAMSUNG focused on "ultra thin" and "sliding cover", so it need the metal case and metal structure as the support, especially the structure, the metal structure is a good choice to ensure the stability of the sliding track. Sony Ericsson focuses on the camera mobile phone of CRBERSHOT. Just like the T series whose whole body is metal, K810 as the recommended model in 2008 also adopts the metal case. WALKMAN series focused on manifesting the profundity of the metal. As for LG's SHINE, it added the carbon fiber to the plastic to strengthen the case initially, later launched the stainless steel case. The new models such as PRADA and VIEWTY regarded IPHONE as the rival. Their obverses were big touch screens and their inverses were anodized aluminum alloy case. In the early years, NOKIA's 8 series adopted titanium case, but gave it up later maybe because the cost was too high. NOKIA did not pay much attention to "ultra-thin" but focused on the profundity and the practicality of the case instead. NOKIA only applied stainless steel to the high-grade models because the stainless steel was very suitable to convey the profundity. That was just what NOKIA pursues. The new model of IPHONE expected to be best-selling has big touch screen on its obverse and anodized aluminum alloy case on its inverse.

As for the mobile phone case, the plastic case manufacturers and the structure manufacturers face fierce competition and the revenue declined, and the gross profit rate also reduced greatly. Mergers among enterprises happened one after another. Firstly, JABIL bought GPG, then LITEON bought PERLOS, the first largest manufacturer of handset plastic case and structure, and Germany's BALDA also intended to sell itself. The plastic case and structure manufacturers for the mobile phone include GPG, BALDA, NALATO, FOXCONN, BYD, FLEXTRONICS, INTOPS, P&TEL, NYPRO and HI-P. The metal case and structure manufacturers for mobile phone were affected by the sales reduction of the Motorola and their gross profit margin began to fall. The metal case and structure manufacturers mainly include YINGHUA, CATCHER, CHI CHENG, HUAFU, FOXCONN and KH-VTEC.

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How to Buy

Product details			How to Order
Single user	USD	File	By email: report@researchinchina.com
	2,500	PDF	By fax: 86-10-82600829
Enterprisewide	3,750	PDF	By online: www.researchinchina.com
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For more information, call our office in Beijing, China: Tel: 86-10-82600828 Website: www.researchinchina.com			