

Report: EMS Grew 17% Last Year

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FRAMINGHAM, MA – The worldwide EMS industry grew 17% in 2007 to \$268.1 billion, according to research firm **IDC**. ODMs grew 23%, yet remain a smaller share of the outsourced market, as the EMS sector accounted for more than 60%.

Computers and consumer devices were the largest segments, at 36% and 29%, respectively, of EMS revenues. The industrial segment displaced servers and storage as the third-largest segment.

The regional revenue mix was also fairly stable in 2007 due to the realignments U.S. EMS firms undertook to shift geographic footprints offshore.

IDC warned of a possible US recession and its impacts on the sector. “ODMs need to evaluate current product and customer portfolios, and look beyond notebooks and mobile phones for future growth,” Michael Palma, senior research analyst for IDC's Semiconductor group. “EMS and ODM firms should also take steps to mitigate effects from a likely US recession.”

Foxconn maintained its market lead, with 16% of all industry revenues, growing 46% from 2006.

Flextronics grew to 12% market share on the acquisition of rival **Solelectron**. **Quantia**

enjoyed the strongest annual growth – 57% – based on its notebook success, as it won business from

Apple

and

Dell

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