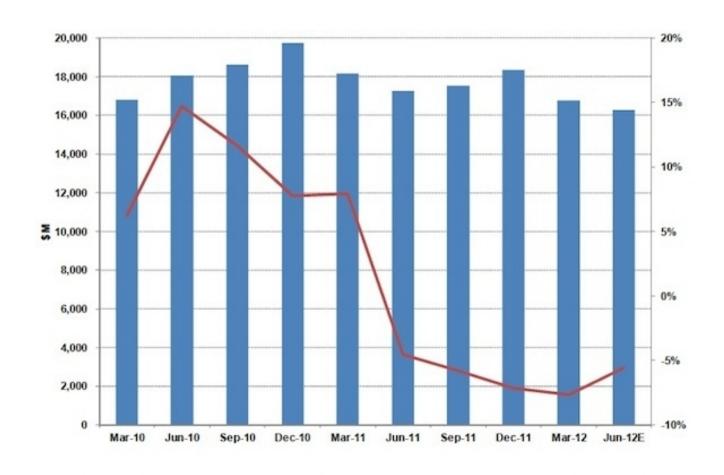
A research note from Deutsche Bank analyst Chris Whitmore leaves very little to the imagination-- the title says "Dead-tree format is dying," and the inside shows the inevitable decline of all printer vendors over the last few years.

The research combines supplies and hardware revenues from major printer vendors (including Canon, Epson, HP, Xerox and Lexmark) over the last 10 quarters, showing dramatic declines in both unit shipments and revenues.

Results for Q2 2012 are "particularly weak as Canon, Epson, Lexmark and Xerox all missed expectations," Whitmore continues. Combined Q2 2012 supply and hardware revenues are down by -6% Y-o-Y according to the research note.



Equipment + Supplies total for major vendors — Equipment + Supplies growth for major vendors (RHS)

Equipment and Supplies revenue trend for major printer vendors. (Credit: Deutsche Bank)

Deutsche Bank Analyst: "Dead-Tree Format is Dying"

Written by Marco Attard 09 August 2012

The bad news continues for all in the consumables business-- printer paper (A3 and A4) sales are also declining in the US, falling by -6% Y-o-Y in Q2 2012 to levels -20% below the 2006 historical peak.

The printing decline comes from both consumer and enterprise segments. Consumers feel better when cutting from printing (due to environmental concerns) while "from an enterprise standpoint, printing is increasingly a cost to be managed lower rather than area of spend or investment," according to Whitmore.

The analyst also attributes the decline in printing to the rise of low-cost connected devices such as tablets and smartphones. Simply put, people prefer to share content electronically instead of printing.

Vendors have already noticed the trend of decline in printers-- the biggest printer vendor, HP, consolidated its printer group with the Personal Computing Group as part of a cost-slashing effort. Meanwhile the likes of Xerox and Lexmark are trying to sell document workflow management services, rather than actual printing devices.

Go Dead-Tree Format's Demise is Slow, Steady (CNet)