

Sharp in Japan mobile's top spot

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Japanese electronics manufacturer Sharp has overtaken some of its largest domestic rivals in the industry to become the biggest mobile-phone maker in terms of shipments within Japan for the first time in the latest fiscal year.

According to Tokyo's MM Research Institute, shipment of handsets made by Osaka-based Sharp rose 20 percent in the 12-month period ended March 2006 from a year ago to 7.6 million units. That made up 16.3 percent of the overall Japanese market that totaled 46.3 million unit shipments.

The institute said that one key factor for Sharp's surge was that it has been providing phones for more than one carrier, namely NTT DoCoMo and Vodafone. In addition, the company plans to start making phones for KDDI by the end of this year, which is second only to NTT DoCoMo as the country's biggest telecommunications provider. Until Sharp got the contract to be an NTT DoCoMo supplier in 2002, however, Sharp's sole client was J-Phone, which was the smallest among the Japanese carriers.

In second place came Matsushita, which saw its shipments fall by 1.8 percent from a year ago to 7.5 million units, thus making up 16.1 percent of the total market. The company announced earlier this year it would withdraw from its overseas GSM operations as its mobile unit continued to operate at a loss.

Meanwhile, NEC, which had been the country's single-largest mobile-phone manufacturer for the past four years, ranked in at third place for

2005, as its shipments dropped 10.6 percent and market share declined to 15.8 percent.

As for the mobile-phone market at large in Japan, the research institute said the number of shipments within the country's own borders rose 5.2 percent from a year ago, marking the first year-on-year increase in two years.

Handsets that "concentrate on design, and mobiles with high-tech capabilities such as Internet browsing and music downloading" have been particularly popular over the past year, MM reported. For their part, manufacturers have been focused more on producing handsets with designs and functions to meet the needs of various consumer groups, particularly with more than 70 percent of the Japanese population now owning a mobile phone, it added.

For the current fiscal year ending March 2007, MM Research Institute anticipates the mobile market to expand still further, rising 10.5 percent on year to 51.1 million units, marking the first time in three years that shipments will exceed the 50 million mark. It pointed out that while the number of first-time mobile subscribers may be decreasing, more and more consumers will want to upgrade to handsets that have the latest functions they want.

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