

TomTom says sales fall, turning from navigation market

April 23 2013

TomTom, the Dutch maker of vehicle navigation systems, on Tuesday published a 13 percent drop in first quarter sales and said it was diversifying its product line to counter a market now saturated with portable navigation devices.

TomTom's sales fell to 202 million euros (\$262 million) and the group posted a net loss of 2.3 million euros, worse than the loss of 1.5 million euros suffered in the same period a year earlier, the group said in a statement.

It pointed to contracting European and North American markets in the [navigation](#) device sector, where TomTom must compete against a trend to use navigation applications installed on mobile phones.

Last year, around 2.1 million [navigation devices](#) were sold in Europe, compared with 1.7 million in 2013.

In the United States however, sales fell from 1.5 million to 1.1 million units.

TomTom said it would diversify its line, and has introduced a new GPS multifunction sports watch while sprucing up its existing navigation products with interactive, [3D maps](#).

"With the launching of our sports watches we are entering a growing market for health and well-being," TomTom marketing chief Gary

Raucher told AFP.

The watch features up-to-date Bluetooth technology and a simple one-button control, is waterproof up to 50 metres (164 feet), and can be used by runners, [cyclists](#) and swimmers.

Unveiled last week, the GPS watch will be launched in the summer and allow TomTom to go head-to-head with competitor Garmin, which already has a similar range of products.

Listed on the Amsterdam Stock Exchange's midcap AMX index, TomTom's shareprice jumped 7.8 percent on Tuesday to trade at 3.4 euros per share in midday exchanges.

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