

Electronic Industries Association

September 29, 1995

Mr. Michael Fremer Stereophile 2 Glen Avenue Sea Cliff, NY 11579 Dear Mr. Fremer:

I read, with great interest, your column on the 1995 edition of our U.S. Consumer Electronics Industry In Review in the September issue of Stereophile.

Since In Review is intended as an overview of the consumer electronics industry in any given year, it is only natural that it cover as many product areas and technologies as possible. In Review is simply a report on the state of the consumer electronics industry, with no bias intended, other than an implied bias toward the industry as a whole, which, I'm sure you would agree, is to be expected.

We're always glad to hear from a reader who feels as though we could have done a better job in reporting on any given area of the consumer electronics industry. We don't perform our jobs in a vacuum -- we want to do better.

You're right when you point out that we didn't include statistics on turntable sales in the 1995 edition of *In Review* -- this is important information, which we'll be sure to include next year (we can't include sales of LPS, because we don't represent these manufacturers). We'll also try to include information on the percentage of consumers who either prefer listening to records over compact discs or listening to records in addition to compact discs.

It is important to remember that the Electronic Industries Association's Consumer Electronics Group represents its members, which populate every area of the consumer electronics industry - an industry which includes manufacturers of analog as well as digital products. And, within the pages of *In Review*, we're obligated to tell it like it is, good or bad. Clearly, for better or worse, we live in an increasingly digital, not analog, world.

The 1995 In Review does reflect on this state of affairs early in the audio section:

"...the increased popularity of digital audio products has come at the expense of analog playback devices -- namely the turntable and phonographic cartridge business, which has declined significantly in the face of CD player sales."

Simply take a look at the numbers: Home CD player sales, while down slightly in 1994, still managed to reach 2,771,000 units and \$443 million. Turntable sales, on the other hand, were down for the third straight year: 264,191 units and \$27.6 million.