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PRESS RELEASE

GSA releases its first GNSS Market Monitoring Report

The European GNSS Agency (GSA) has published a highly anticipated 2010 GNSS Market Monitoring report, providing key information in support of entrepreneurship in the satellite navigation sector.

GNSS market forecasting is of great interest to private and public GNSS stakeholders, for business and strategic planning and policymaking. According to the new GSA report, the market for GNSS will grow significantly over the next decade, at a compound annual growth rate (CAGR) of 11%, reaching some €165 billion for the core GNSS market in 2020. Delivery of GNSS devices will exceed one billion per year by 2020.

"This Report confirms that the market potential of GNSS is significant," said Gian Gherardo Calini, Head of the GSA Market Development Department, "the information should be useful to researchers, market players and decision makers who want to grasp the GNSS market opportunities today and tomorrow."

Report highlights

- ***Road leads the way***

The report shows that the road transport sector is still the leading GNSS segment, accounting for more than 50% of market share. The penetration of receivers in road vehicles, today at 30%, will exceed 80% over the next decade. However, after a period of fast growth, market saturation and competition in the form of 'smartphones', often equipped with free navigation capabilities, have resulted in a slowdown in the car-based navigation market.

Price erosion has been high, driven by declining costs and strong competition. Vendors are using innovation as a differentiator resulting in 'converged' products with both communication and multimedia functionalities. Some Personal Navigation Device (PND) vendors are also tapping into new distribution channels, including car dealerships and smartphone application stores.

- ***GNSS for road transport***

The road transport sector is facing major challenges, such as the demand for increasing safety and for reduced congestion and pollution. These problems are particularly acute in highly populated zones, including big cities and suburban areas. GNSS represents a powerful tool for improving road transport. Not only does it help get drivers where they want to go more quickly and efficiently, but it also promises fairer road-pricing schemes, for example, to automatically charge drivers for the use of road infrastructure.

- **GNSS in your hands**

Mobile location-based services (LBS) are taking off as progress is being made in different areas. More and more mobile phones now have GNSS capabilities, the result of both increasing consumer and developer awareness and an improvement in navigation services and performance.

All major mobile phone operating system vendors now provide application programming interfaces (API) with location functions. In 2009, in the UK, France and Germany, 5 out of the 10 best-selling iPhone applications were related to navigation or location-based applications. Also, 30% of Android developers' contest winners used location capabilities in their applications.

- **A promising future for Location-Based Services**

The integration of accurate hand-held positioning signal receivers, within mobile telephones, personal digital assistants (PDAs), mp3 players, portable computers, even digital cameras and video devices, brings GNSS services directly to individuals, making possible a fundamental transformation of the way we work and play. The penetration of GNSS in mobile phones is therefore expected to increase very quickly, from some 20% today to above 50% within the next five years.

The GSA says Galileo in the future and EGNOS today open up new and exciting prospects for economic growth, benefiting citizens, businesses and governments throughout the EU and beyond.

Just the beginning

The GSA underlines that the GNSS Market Monitoring process is ongoing and future reports are planned to update information presented in this first report and to cover other sectors. The Agency welcomes stakeholders contributions.

The 2010 GSA Market Monitoring Report can be downloaded free here:
http://www.gsa.europa.eu/go/download_the_gsa_gnss_market-report

Market development for EGNOS and Galileo

The GSA, a European Community agency, works with the European Commission on a range of market development activities aimed at helping European entrepreneurs and businesses – especially high tech small- to medium-sized enterprises (SMEs), business incubators and related networks – commercially exploit EGNOS and Galileo.

Such promotional activities will ensure that European industry maintains a competitive edge in the global satellite navigation marketplace.

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