

About Industry Insight

CDTFA funds over \$61 billion (FY 2016/17) of California's state and local budget with revenue from 37 tax and fee programs. Data from these programs provide valuable insight into economic trends that can help California businesses make investment decisions. This newsletter will review CDTFA and other relevant data to identify new developments of interest to our readers in various industries.

Trends in Electronic Screen Sales

In this issue, we analyze trends in electronic-waste fees since the program's inception 12 years ago.¹ The data reveal a few insights:

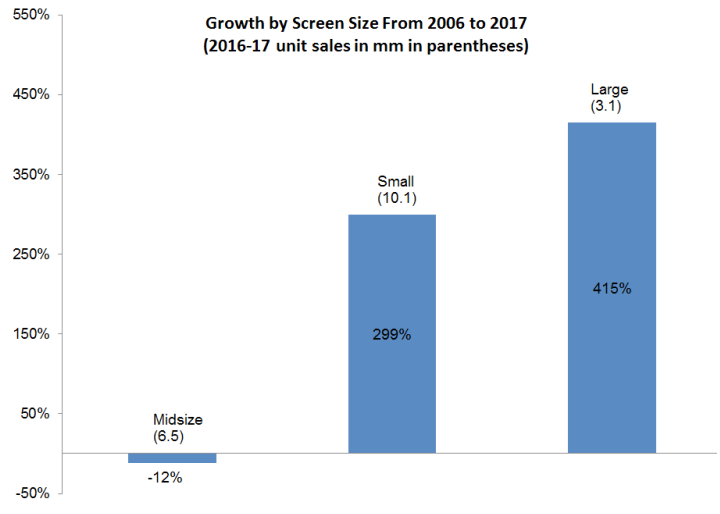
1. Midsize screen sales fell while small and large screen sales soared.
2. California leads all but two states in electronics sales per capita.²
3. The outlook for large screens may continue to outpace smaller screens.

1. Midsize screen sales fell while small and large screen sales soared

Screen sales in California jumped 87 percent in the past 12 years, according to CDTFA data.³ In 2016-17, on average one of every two Californians bought a screened device, excluding cell phones.

Sales of large and small screen devices rose by 415 percent and 299 percent, respectively. In contrast, midsize screen sales fell 12 percent. The decline in midsize screens likely resulted from a substitution for small screens, such as iPads for midsize desktop monitors. In addition, prices have generally fallen for all screens, which has made it easier for consumers to buy their preferred size. U.S. Bureau of Labor Statistics 2018 data show that tablet prices have declined 70 percent in the last decade, while television prices have declined 35 percent.

As for large screen devices, big screen TVs have become much more popular over the past decade, driven by lower prices, technological changes, and additional features, much like those for tablets.



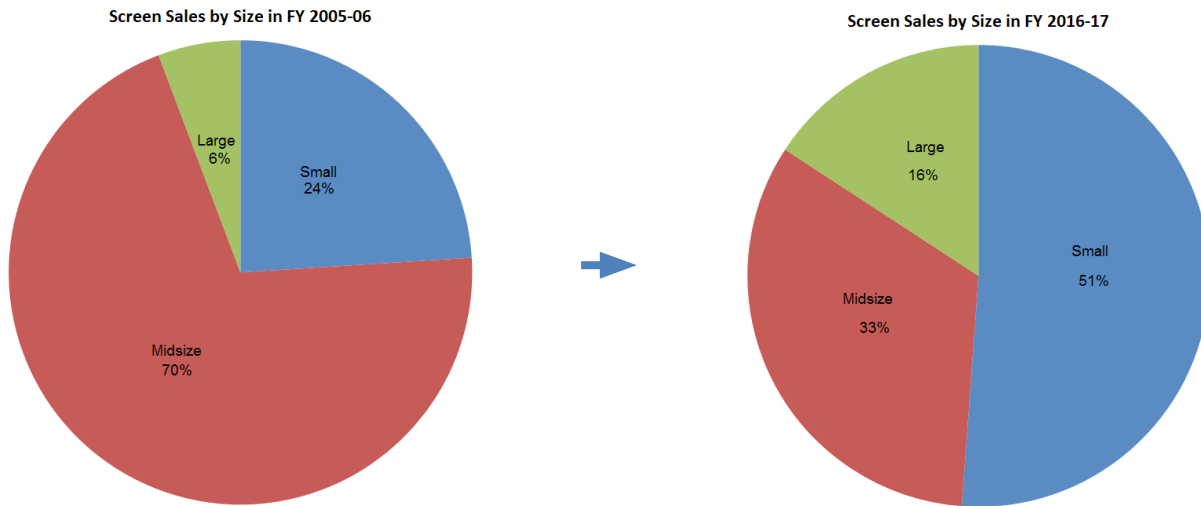
Small Screens Are Now Most Common

In 2005-06, midsize screens were most common, representing 70 percent of all screen devices sold. By 2016-17, sales of small screen devices jumped ahead of midsize screens, with small screens accounting for 51 percent of total, medium 33 percent, and large 16 percent.

¹ Electronic-waste fees are assessed on retail purchase or lease of covered electronic devices. For more information, see www.cdtfa.ca.gov/taxes-and-fees/electronic-waste-recycling-fee.htm.

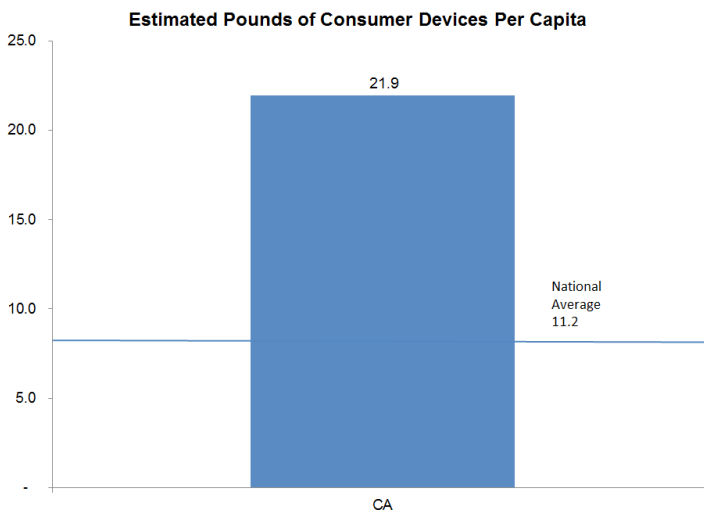
² CDTFA estimated sales of electronic devices using data from *Electronic Products Generation and Recycling in the United States, 2013 and 2014*, U.S. Environmental Protection Agency, December 2016.

³ Source: *2016-17 Board of Equalization Annual Report*. Small screens are defined as those with a diagonal size of 4-15 inches; midsize is 15-35 inches; large is over 35 inches. Cell phones are excluded from the data.



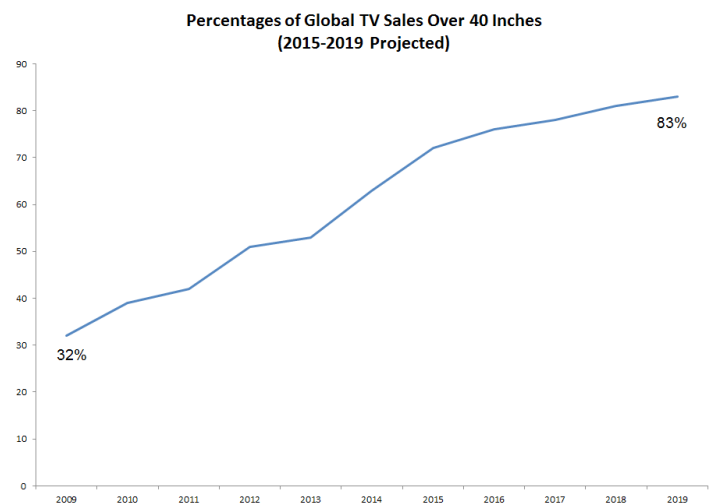
2. California leads all but two states in electronic sales per capita

Based on U.S. Environmental Protection data, CDTFA estimates that only New Hampshire and Oregon sold more screens per capita than California. The EPA data show that California consumes about 22 pounds of consumer electronic devices per year, close to twice the national average.



3. The outlook for large screens may continue to outpace smaller screens

While the future is unknown, some industry experts believe that additional growth is likely for sales of big screen TVs. For example, Statistica.com forecasts that by 2019, the share of global sales of TVs over 40 inches will rise to 83 percent of total. The outlook for small screen devices is unclear, as some industry analysts believe that tablet sales may be peaking.



Contact Us

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