RFID Market Reaches $7.67 Billion in 2012

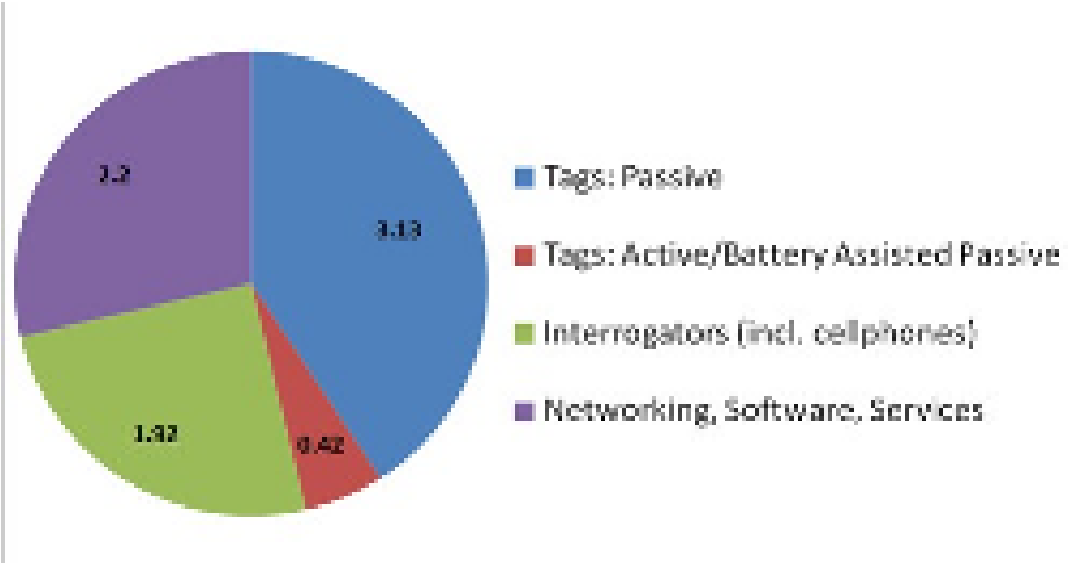
The latest RFID market research from IDTechEx finds that in 2012 the value of the entire RFID market will be $7.46 billion, up from $6.37 billion in 2011. This includes tags, readers and software/services for RFID cards, labels, fobs and all other form factors. It includes passive and active RFID. Detailed forecasts are now available in the recently updated RFID Forecasts, Players and Opportunities 2012-2022 [1] .

In many applicational sectors, RFID orders are up 10% - some much more. Primarily this is due to growth of passive UHF systems for tagging apparel and many closed loop applications. It is also driven by governments doing two things. Increasingly, they make it a legal requirement to fit RFID, recent examples being on animals in New Zealand and Europe. Secondly they come up with huge sums of money to buy RFID. This varies from local governments committing to non-stop road tolling and library tagging to national governments increasingly buying national ID cards, passports and other forms of RFID. However, we find that military spending on RFID is down from previous highs.

In retail, RFID is seeing rapid growth for apparel tagging - this application alone demands 1 billion RFID labels in 2012, with 1.35 billion tags forecast for 2013. RFID in the form of tickets used for transit will demand 500 million tags in 2012.

In total, 3.98 billion tags will be sold in 2012 versus 2.93 billion in 2011. Most of that growth is from passive UHF RFID labels, however, at that frequency suppliers are still barely profitable so far.

2012 Revenue by Component Type ($ billion)



Cumulative Progress to 2012

At the start of 2012, the cumulative number of RFID tags sold over the last 65 years was 15.1 billion. 20% of that number were sold in 2011. In many sectors, particularly airline baggage and post, UHF RFID demand has failed to live up to expectations - by a long way. For several years capacity has far exceeded demand and those involved in UHF passive RFID tag manufacture are still not profitable over the term of their investment in the topic. This led to a significant amount of consolidation from 2007-2009, particularly of UHF tag manufacture. In contrast, most of the companies involved in passive HF tag supply are profitable. However, from 2011 onwards there has been strong growth in passive UHF tag demand with Impinj, Avery Dennison and others emerging as leaders. Others such as Smartrac have been acquiring companies creating a large RFID business.

IDTechEx find that the RFID market will grow steadily over the next decade, rising four-fold in that period to $26.19 billion in 2022.

Market analysis by a huge number of parameters

Using new, unique information researched globally by IDTechEx technical experts, we analyze the RFID market in many different ways, with over 190 tables and figures in this report. They include detailed ten year projections for passive RFID in all market segments, including high value niche markets, active vs passive, interrogators, NFC, markets by frequency, markets by geographical region, label vs non label, chip vs chipless, markets by application, tag format and tag location. Cumulative sales of RFID are analyzed as are the major players and unmet opportunities. It covers the emergence of new products, legal and demand pressures and impediments for the years to come.

Over 200 companies are profiled in this report. We give detailed ten year forecasts of the volumes of tags required, their value and the total market value for over 30 market segments. RFID revenues are given separately by application type for 2005 to 2022, for both active and passive tags.

www.IDTechEx.com [2]

Posted by Sara Cohen, Editorial Intern

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