



## 2008 Hard Disk Drive Industry Capital Equipment Report Predicts Strong Spending Over Next Few Years, Announces Coughlin Associates

*\$27 Billion Capital Equipment Spending Expected by 2013*

For Immediate Release

SAN JOSE, Calif./EWORLDWIRE/Sep. 2, 2008 --- Coughlin Associates ('<http://www.tomcoughlin.com>'), a respected analyst firm covering data storage and storage applications, announces the updated 2008 Hard Disk Drive Capital Equipment Market and Technology Report. This comprehensive 177-page report, written by noted experts Tom Coughlin and Ed Grochowski, explores all aspects of capital equipment used to manufacture hard disk drives and major hard disk drive components. Growth in spending for capital equipment will be significant over the next few years.

The following are the major factors which will drive HDD industry capital spending from 2007 through 2013:

- . Annual drive volumes increasing over 100% from 2007 (501 million) through 2013 (1.1 billion)
- . Form factors ratio changes: 2.5-inch and smaller HDDs will dominate by 2010
- . HDD and component companies have cash to invest in equipment due to higher drive demand and more stable drive prices
- . New HDD applications require new manufacturing capital equipment and process changes
- . Initial transition to discrete track media by next year, followed by patterned media development starting in 2010 and heat assisted magnetic recording introduction within the following two years, requiring new types of capital equipment and changes in manufacturing processes
- . Lower flying heights and changes in surface characteristics of heads and disks increasing metrology requirements and leading to new measurement technologies as well as tightening of head and disk specifications

Between 2007 and 2013, with about \$313 billion of HDD company total accumulated revenue, the industry is expected to spend about \$27 billion or about 9 percent of total revenue over that period on capital equipment. Capital spending per drive has varied considerably for the last few years with a local peak expected by 2012 of about \$5.50 per drive as investments to implement discrete track media reach their expected peak.

Total industry spending on capital equipment in 2007 was about \$2.2 billion with 69 percent of this spent on process equipment, 25 percent on production test and 6 percent on metrology. In that year, head, media and drive capital equipment spending was 35 percent, 46 percent and 19 percent respectively.

Topics covered in the 2008 report are:

- . Capital Equipment Investments And Production Forecasts
- . Production Tooling For Substrates, Disk Media, Heads
- . Testing And Characterization Equipment
- . Technology Roadmaps Through 2013
- . Projections For New And Specialized Equipment
- . New Paradigm Shifting Technologies

Copies of the PDF report as well as an accompanying PowerPoint document containing all of the figures and tables in the text can be ordered from Coughlin Associates. Order forms are available at '<http://www.tomcoughlin.com/techpapers.htm>'. Orders can also be placed by credit card by calling 408-871-8808.

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**KEYWORDS:** HDD, disk drive, capital spending, head, disk, discrete track recording, heat assisted recording, patterned media, technology, storage, data, business technology

**SOURCE:** Coughlin Associates