



Alamy reports 20% drop in revenue

Alamy has been hit by the recession as it released its quarterly figures today, acknowledging a £400,000 drop in revenue compared to last year's Q2

Based on the current trend, the stock photo agency estimates that by the end of the year they could see a 15 to 20% drop in gross sales, compared to 2008. However, CEO James West assured users that it is not all bad news. 'Alamy is still in profit and, even taking into account our most pessimistic forecast, we will still be profitable in the event of a prolonged recession,' he says.

The drop in revenue has been blamed on the current recession, says West. He goes on to highlight that customers going out of business, cutting their picture budgets, or putting projects on hold, have affected the site, despite revenue from the average number of images bought per transaction going up from 4.3% in 2008 to 5.1% in 2009.

However, commercial licenses suffered a 10% drop in the same period due to badly hit travel industry having a knock-on effect on 'the amount of brochures being produced, which in turn reduces volumes purchased from stock agencies like Alamy,' he says.

'We are still committed to expanding our direct sales operations and we are in the process of hiring more staff for our US sales office. Nevertheless it is likely that we will continue to face a difficult trading environment over the next 12 months and this will be reflected in our quarterly statements for some time,' he adds.