

## *Strategic Summary*

Important Findings of the Market Worldreport

# **Food Plant Markets 2010**

## **- Global Market Analyses and Forecasts until 2010 -**

World market for plant-related products and external services in the Food & Beverages Industries will grow at an average annual rate of 2.8% between 2000 and 2010.

2000:	\$ 59.2 billion
2005:	\$ 67.1 billion
2010:	\$ 78.0 billion

**Markets:** Highest demand for processing and packaging machinery, electrical equipment, building materials, software and external services in the bakery products and confectionery industry, followed by the non-alcoholic beverages industries. Fastest growing demand in the special food industry (ethnic, functional and snack food, pre-prepared food).

**Countries:** North America is the leading market for plant-related products and external services in the food & beverages industry, followed by Asia-Pacific and Western Europe. China is the fastest growing market. Japan is still the leading market in Asia; India is a "sleeping giant".

**Trends:** Processing technologies will further improve perishableness, temperature sensitivity, mechanical and aroma sensitivity of food and beverages products. European consumers will desire more information from their packaging. Labeling issues, such as for genetically modified organism content will intensify over the next years.

## CONTINUOUS BUT MODERATE MARKET GROWTH FOR EQUIPMENT, SERVICES, EQUIPMENT AND PLANTS FOR FOOD & BEVERAGES

The food & beverages industries are becoming more **concentrated**. Food processors are increasingly targeting specific consumer groups with new versions of successful products. The **major innovations** will take place in processing and packaging techniques as well as in automation and information technologies. The most important **growth factors** for a long-term, continuous increase of food & beverages production are a continuous growth of the world population, a further growth of purchasing power in the fast-developing countries and, consequently, a rising consumption of processed products. Changing eating habits in the highly industrialized countries represent a further stimulus to global growth.

According to the market report, "**Food Plant Markets 2010**" by INTECHNO CONSULTING (Basel, Switzerland), the **global production value** of the **overall food & beverages industries** is expected to grow from USD 2.2 trillion in 2000 to about USD 2.8 trillion by 2010. The respective global capital expenditures will grow from USD 69 billion in 2000 to USD 91 billion by 2010. Between 2000 and 2005 the average annual growth of capital expenditures is 2.6% and between 2005 and 2010 it is expected to be 3.0%.

The world market for plant-related products and external services in the food & beverages industry, including **project and operation phases**, is expected to grow from USD 59.2 billion in 2000 to presumably USD 78.0 billion by 2010. The average annual growth rate is 2.5% between 2000 and 2005 and will be about 3.1% between 2005 and 2010. The average growth for the whole decade is 2.8%. The term "plant-related products and external services" covers the whole spectrum of processing and packaging machinery, transport & conveying machinery, storage & piping equipment, automation and electrical equipment, building materials, software and external open-market services such as engineering, execution, training, maintenance, demolition and overall plant services.

### SEGMENTATION BY PLANT WORKS

The segmentation of the global market for plant-related products and external services in 2000 by types of works was as follows:

<input type="checkbox"/> IT-MES (Manufacturing Execution Systems):	1.1%;
<input type="checkbox"/> Automation (control & instrumentation):	10.1%;
<input type="checkbox"/> Electrical works (drives, switchgear, cables):	11.3%;
<input type="checkbox"/> Mechanical works:	55.6%;
<input type="checkbox"/> Civil & structural works:	13.6%;
<input type="checkbox"/> Overall plant services:	8.3%.

Until 2010, the shares of MES and automation works are expected to grow.

**MES** includes plant management functions, plant execution and process management as well as data & information management. **Automation works** cover control systems and instrumentation as well as software and the related services such as engineering (basic, detail), execution (installation, assembly, commissioning), training and maintenance.

**Mechanical works** represent the following items: process technological and packaging machinery, pumps, compressors and conveyors as well as storage tanks and systems, piping and valves. The machinery-related services, too, are included.

The **overall services** comprise activities such as feasibility studies (technical, economical, legal), conceptual planning, overall consulting, project management, process design, financial engineering and procurement as well as plant or utility-related outsourcing services.

## SEGMENTATION BY FOOD & BEVERAGES SECTORS

About 9.2% of the plant-related products and external services is for the basic food industry and 53.0% for the food industry in the narrow sense such as meat, poultry, and fish; dairy products (except fluid milk); fruit and vegetables (preserves included); bakery products and confectioneries; frozen food and ready-to-eat meals. About 28.8% are for the beverages industries including liquid milk, 4.1% for the feed industry and 4.9% for the tobacco industry.

## SEGMENTATION BY REGIONS

The segmentation of the global market for processing and packaging machinery, electrical equipment, building materials, software and external services in 2000 by global regions was as follows:

<input type="checkbox"/>	Western Europe:	25.4%;
<input type="checkbox"/>	Eastern Europe:	7.3%;
<input type="checkbox"/>	North America:	29.3%;
<input type="checkbox"/>	South America:	7.5%;
<input type="checkbox"/>	Asia-Pacific:	26.8%;
<input type="checkbox"/>	Rest of the World:	3.7%.

Until 2010, the share of Asia-Pacific will grow up to 30.1%. China's share will expand from 6.3% in 2000 to 8.7% by 2010 and India's share is expected to grow from 3.7% in 2000 to 4.8% by 2010.

## THE REPORT AS A SUPPORT FOR YOUR STRATEGIC DECISIONS

Whereas the report "**Process Plant Markets 2010**" covers all process industries, the **food section of this report** shows the equipment, software and services market development of the food, beverages, feed and tobacco industry only. This report serves as a strategic tool for all those food equipment and plant service suppliers who want to diversify or penetrate into new food & beverages market sectors. Companies who intend to internationalize or who are already active on a global level are a further target group for this report.

The food section of this report is based on international expert interviews plus analysis of more than 350 statistics and reports on the relevant industries. A priority has been the well-founded assessment of food and beverages production volumes, shipments and capital expenditures for each of these industries.

**The report "Process Plant Markets 2010" was published in May 2003** and only sold as a whole. INTECHNO CONSULTING is now offering the food & beverages section of this report as a special module and at **special prices** for all those plant builders, machinery, electrical and automation manufacturers, who are focused on the food & beverages industries solely.

#### **THE REPORT IS PUBLISHED IN 2 VERSIONS:**

##### **Version 1 = General Version - Net Price EUR 2'400:**

The report "**Food Plant Markets 2010 - Version 1**" represents the overall version and is **identical with chapters 1, 2, 3 and 17 of the report "Process Plant Markets 2010** published by INTECHNO CONSULTING. It contains about 143 pages including 75 tables of highly concentrated and strategically valuable market information. About 88 pages refer to the food & beverages industries as such and 55 pages refer to basic definitions, assumptions and overall economic trends. It is published as a CD-ROM version and contains all data as pdf-files. All tables are shown in Excel-format, too.

#### **Countries published:**

About 80 countries have been analyzed in detail of which the following 21 countries / regions are published:

Germany, France, United Kingdom, Italy, Spain & Portugal, Benelux, Scandinavia, Rest Western Europe, Russia, FSU - other countries, Rest Eastern Europe, USA, Rest North America, Brazil, Rest South America, Japan, Australia & New Zealand, China, India, Rest of Asia-Pacific, Rest of the World.

The report shows and discusses the **global shipments of the food & beverages industries** and **the capital expenditures by type and value**. The plant markets are segmented by **core, packaging and auxiliary processes**.

#### **Works published, segmented by project and operation phases:**

**Manufacturing Execution Systems:** MES hardware, MES software, MES services (engineering, execution, training, maintenance, demolition). **Automation:** Automation hardware (control & instrumentation), automation software, automation-related services (engineering, execution, training, maintenance, demolition). **Electrical works:** Switchgears, drives, cables, electrical works services (engineering, execution, training, maintenance, demolition)

**Mechanical works:** Process & packaging machinery, transport & conveying machinery, storage & piping equipment, mechanical works services (engineering, execution, training, maintenance, demolition). **Civil & structural works:** Building materials, building works services (planning, execution, training, maintenance, demolition) **Overall plant services:** Feasibility studies, conceptual planning, overall consulting, project management, process design, financial engineering, procurement, outsourcing.

**Version 2 = Detailed Version - Net Price EUR 4'500:**

The report "Food Plant Markets 2010 - Version 2" comprises all data of version 1 in pdf- and Excel-format **plus additional market tables** for each of the 14 food industries in Excel-format only. These additional Excel tables were not published within the report "Process Plant Markets 2010". They cover data about food & beverages shipments, capital expenditures, production investments, MES, automation, electrical works, mechanical works, civil & structural works and overall plant services for each of the following individual food & beverages industries (years 2000, 2005 and 2010):

- Sugar industry by countries;
- Other basic food industries by countries;
- Meat & fish industries by countries;
- Dairy industry by countries - solid milk products only;
- Bakery & confectionery industries by countries;
- Fruits & vegetables industries by countries
- Special food industries by countries;
- Dairy industry by countries - liquid milk products only;
- Other Non-alcoholic beverages industries by countries;
- Beer industry by countries;
- Other Alcoholic beverages industries by countries
- Hot drinks industries by countries;
- Feed industry by countries;
- Tobacco industry by countries

**All in all version 2 contains about 474 more pages than version 1 including 444 tables (pdf and Excel) and another 270 additional market tables which are shown in Excel-format only. All in all version 2 contains about 714 additional market tables in Excel-format compared to version 1.**

We believe that the data of this report, although the basic research was conducted already in 2003, are still quite valid. The reason: The food & beverages industry is an industry, which is not fluctuating much and which is undergoing a moderate, but stable growth in the long run; the same should be true for the food & beverages equipment, plant and plant-related services industries.

*In case of interest, this study is available at:*

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*Our homepage is:* [www.int technoconsulting.com](http://www.int technoconsulting.com).

***The price of this report is EUR 2'400 for version 1 and EUR 4'500 for version 2.***

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## FOOD PLANT MARKETS 2010

### International Market Report about the Market Development of Food & Beverages Production Plants, Equipment and Services until 2010

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