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Press Release

ceramitec Industry Barometer: the Ceramics and Powder Metallurgy Industry in the Investment Fever

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- **96 percent of the companies worldwide intend to keep up or increase their total investments in the coming year**
- **76 percent of the German companies make great efforts for research and development**
- **Shortage of skilled labor poses challenges to the industry**

In the run-up to ceramitec, the international key trade show of the ceramics industry (in Munich from April 10 to 13), the mood in the industry is overwhelmingly positive. This is illustrated by the results of the ceramitec industry barometer* for which more than 600 representatives – predominantly decision-makers – of German and international companies were surveyed on their investment behavior and on what is currently happening in the industry. According to this survey, 96 percent of the companies worldwide are planning to increase their total investments in the coming year (44 percent) or to keep them at a high level (52 percent).

“The traditional ceramics and powder metallurgy industry is getting into shape for the digital era and in doing so, it shows innovative spirit. At a global level, 59 percent of the companies rate their commitment for research and development as good or excellent. In Germany, this is the case for even more than three quarters of the companies. That is one of the findings of our industry barometer, a survey conducted by a market research institute commissioned by the ceramitec trade show”, says Gerhard Gerritzen, Member of the Board of Management of Messe München.

Accordingly, 47 percent of the companies worldwide intend to increase their expenditures for research and development and 51 percent plan to hold their expenditures in this field constant. The industry is similarly eager to invest with respect to its production and manufacturing: 44 percent of the German companies and even more than half (54 percent) of the companies worldwide are planning to spend more money for new machines, infrastructure, procedures etc. in the year to come. ceramitec serves the industry’s future-oriented attitude. “Ceramics are materials with a history stretching back thousands

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of years and with a bright future. The application possibilities are becoming ever greater, ranging from the deep sea to cars or the smartphone through to aerospace. New procedures like additive manufacturing contribute to this development. At ceramitec, we will offer comprehensive information on the new possibilities and application fields by means of the newly created 'Additive Manufacturing' special area, among other things," comments Gerhard Gerritzen, Member of the Board of Management of Messe München.

Automation and new raw materials and additives determine investments

On a global scale, the increasing automation of production carries the most weight for decision-makers holding sway over investment projects (35 percent). It is followed by new raw materials and additives, powder, production materials and auxiliaries (25 percent), and the topic of energy efficiency (13 percent). The gradual automation of production is accelerated by digitization. In this respect, the major part of the industry considers itself to be on the right track: more than 60 percent of the companies surveyed on a global scale are either pursuing an explicit digitization strategy, have already digitized important processes or even consider themselves as pioneers in this field. Overall, the industry sees digitization primarily as an opportunity – particularly in order to increase the quality of their products and services (41 percent), to reduce costs (38 percent) and above all to raise customer satisfaction (34 percent) or to be able to respond more flexibly to customer requests (36 percent). Simultaneously, however, approximately one third of the companies see the high investment costs connected with digitization as a barrier; moreover, the adaptation to existing IT systems (24 percent) and the shortage of in-house competency (19 percent) frequently cause difficulties.

The industry is struggling with a shortage of specialists and competitive pressure

In addition, companies have to face further entrepreneurial challenges: on a global scale, a large part (37 percent) of the ceramics and powder metallurgy industry sees itself exposed to high competitive and price pressure. Accordingly, the tapping of new (sales/production) markets currently ranks among the most pressing tasks for many companies (39 percent). A further issue is the fact that in Germany, in particular, the ceramics sector is faced with a severe shortage of skilled professionals. Nearly half (44 percent) of the companies has difficulties in finding a sufficient number of suitably qualified personnel. In other regions, the situation is at least somewhat less strained. Actually, only 24 percent of the respondents in the rest of Europe and only 21 percent of the respondents in Asia rated the shortage of skilled professionals as one of the biggest problems. ceramitec will deal with this topic within the framework of the *CareerDay* on April

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13, and will bring together students and young professionals with attractive employers on this information day.

Further information is available online under www.ceramitec.com

***About the ceramitec industry barometer**

In February 2018, the ceramitec 2018 trade show surveyed a total of 624 specialists and executives worldwide from the ceramics and powder metallurgy industry through the Institute for applied data analysis IfaD, Hamburg, on their investment behavior and on what is currently happening in the industry.

About ceramitec

ceramitec is the international key trade show of the ceramic industry. It covers the entire spectrum of the ceramic industry – ranging from classic ceramics and raw materials to industrial ceramics through to technical ceramics and powder metallurgy. Some 600 exhibitors from 37 countries and more than 15,000 participants from 93 countries took part in ceramitec 2015. “ceramitec: Technologies - Innovations - Materials” takes place every three years; the next event will be held in Munich from April 10 to 13, 2018.

International trade shows of the ceramic industry of Messe München

Besides ceramitec, the international key trade show, Messe München's portfolio of ceramics trade shows includes Indian Ceramics. India's leading trade show for the ceramic industry combines international competence with in-depth regional know-how. Indian Ceramics takes place on an annual basis, the next event being scheduled in Ahmedabad, Gujarat, India, from March 7 to 9, 2018, in parallel with Ceramics Asia. More than 280 exhibitors and over 7,100 trade visitors took part in Indian Ceramics & Ceramics Asia 2017.

Messe München

Messe München is one of the world's leading trade-show companies. It organizes more than 50 own trade shows for capital and consumer goods and key high-tech industries. Each year, a total of more than 50,000 exhibitors and some three million visitors take part in more than 200 events held at the Messe München trade-fair center, the ICM – Internationales Congress Center München, the MOC Veranstaltungszentrum München as well as abroad. Jointly with its subsidiaries, Messe München organizes trade shows in China, India, Brazil, Russia, Turkey, South Africa, Nigeria, Vietnam and Iran. Messe München has a global business presence with a network of affiliates in Europe, Asia, Africa and South America as well as some 70 foreign representatives serving more than 100 countries.

In 2018, analytica, International Trade Fair for Laboratory Technology, Analysis and Biotechnology will take place simultaneously with ceramitec:
www.analytica.com