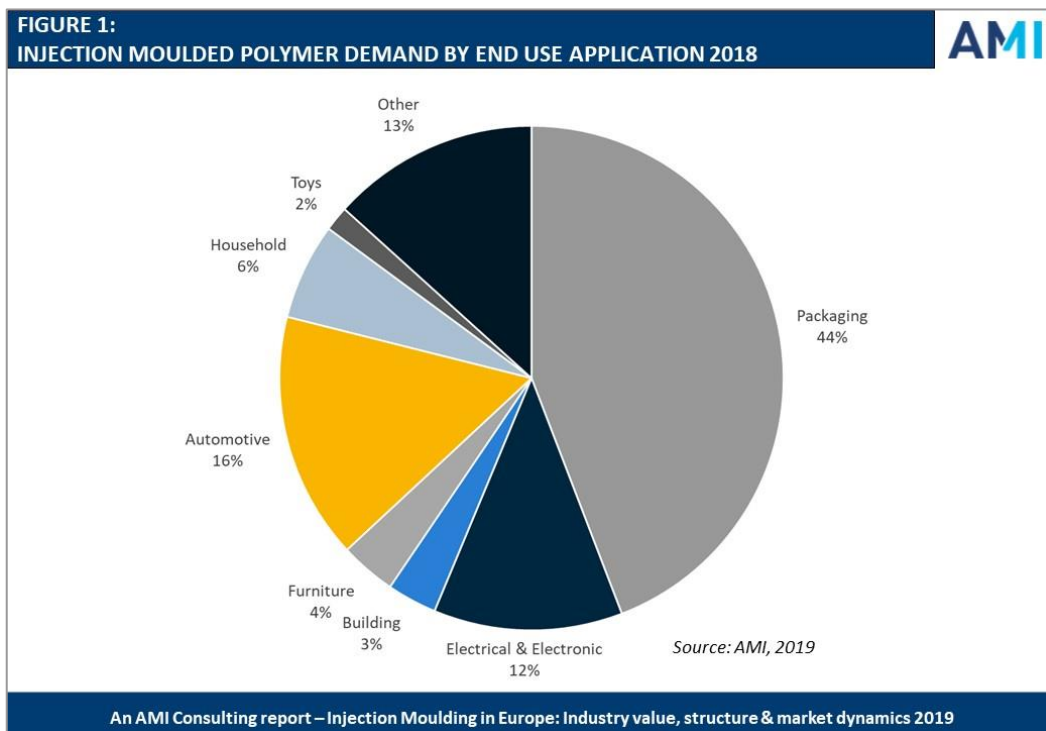


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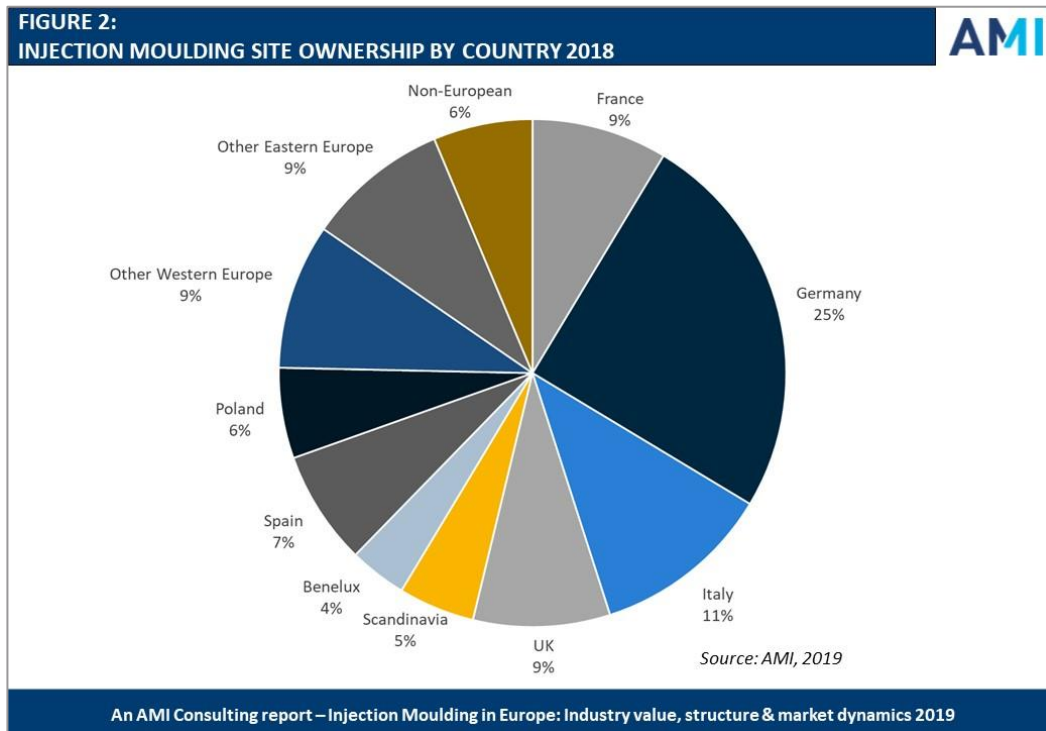
INJECTION MOULDING IN EUROPE – THRIVING OR SURVIVING?

AMI Consulting, Bristol, 21/01/2019 – According to a new study by leading industry consultants, Applied Market Information Ltd (AMI Consulting), the European injection moulding industry is thriving as most of its markets have recovered from the economic collapse which struck over a decade ago. In 2018 the industry value from virgin polymer exceeded EUR85 billion, an average growth of 3% p.a. since 2007, supported by growing polymer demand and added value opportunities, together with increased polymer prices. The industry is also taking increasing advantage of the use of recycle feedstocks which added about 8% to the industry value in 2018.

The versatility of the injection moulding process lends itself to serving an extremely diverse market portfolio with demand, in terms of polymer volume, being led by the packaging, automotive and electronics sectors. Each market faces different opportunities and challenges, particularly as the plastics sector and the applications it serves comes under increasing environmental scrutiny. Since AMI Consulting’s prior report on the sector in 2014 all the key market segments have grown, with packaging exhibiting the most sustained growth whilst automotive has seen most robust growth in the last 4 years. Overall demand for injection moulding has seen an average growth of 1.6% p.a. in virgin polymer demand taking it above 12 million tonnes in 2018.



Injection moulding is the most fragmented plastics industry with at least 8,000 companies operating the process in Europe. These businesses range from being single site moulding operations (over 90%) through to multi-national enterprises with many moulding locations in Europe. The industry is attracting private equity investment and some companies are publicly quoted but about 95% of the businesses are family owned. The globalisation of the customer base is also attracting investment from outside of Europe, particularly to serve the OEMs in the automotive and electronics sector that have invested in the region.



However, the fragmentation of the injection moulding industry and the plethora of markets it serves leads to an intensely competitive business environment in which there have been winners and losers. Since 2014 the total number of injection moulding sites in Europe has fallen, despite substantial investment in new sites in Central Europe. Companies have closed or consolidated mainly because of a shift of the customer base within Europe, its exit from the region or its decline in Europe due to inter-regional competition or technology progression. Within this context, many participating in the industry might be considered to be ‘surviving’.

About 17% of moulding sites participate in the industry as in-house or proprietary product producers, which may be considered to have more control of their own destiny, but the majority are custom moulders whose success depends on their selection of product focus and customer base. Many differentiate themselves by specialising in a single market whilst others spread their business across a range of customers in different sectors. The report identifies the few hundred moulders that process more than 10,000 tonnes of polymer per year and discusses those processing more than 15,000 tonnes in the context of the markets they serve. Together these companies represent approximately 58% of the total volume of virgin polymer processed by injection moulding.

‘Injection Moulding in Europe: Industry value, structure & market dynamics 2019’ is a detailed multi-client research report published in January 2019. For further information please contact Sylvia Tabero at AMI Consulting: sylvia.tabero@ami.international or +44 117 924 9442.