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Machinery manufacturers expect significant boost from the world's leading trade fair IFFA

- **The German manufacturers of machinery for the meat industry increased their production in 2018 for the eighth consecutive year**
- **Domestic sales reached an all-time high**
- **Foreign demand also rose slightly**
- **The international leading trade fair IFFA is the foremost driving force for the entire meat industry**

Frankfurt, 4 May 2019 – In the year 2018, the German production of meat processing machinery grew by almost 5 percent to 1.16 billion euros. "However, we estimate the total market at around 2 billion euros, because packaging machines, weighing technology, robotics and components, whose production value we unfortunately cannot statistically assign to our industry, should be added to this", says Klaus Schröter, Chairman of the VDMA Meat Processing Machinery Division and the IFFA Advisory Board.

Domestic business continues to be very important for the highly specialised industry. Especially in the last three years the meat processing companies have invested heavily. Demand for machinery rose, in some cases at double-digit rates. According to preliminary data from the Federal Statistical Office, domestic sales are expected to reach a record level of over 350 million euros in 2018.

Germany is the leading exporter of meat processing machinery

Germany is the world's leading manufacturer and largest exporter of meat processing machinery. Almost every third machine that is traded internationally comes from German production. The export turnover of the sector is around 75 percent. In 2018, exports rose by 2 per cent over the previous year's level.

Demand from the USA grew particularly strongly. There were also clear impulses from individual countries of the EU- 28. "The European Union is the most important and stable sales region for our industry with a share of over 46 percent. We deliver our machines to around 100 countries," says Schröter, summarizing the export trend for 2018.

The list of the ten most important foreign markets was again led by the USA last year. Russia returned to second place and France was third. They are followed by Great Britain, Spain, Poland, the Netherlands, Austria, Italy and Australia. German manufacturers also recorded significant increases in exports to China, the Republic of Korea, Canada, Mexico and South Africa in 2018.

Demand driven by growing consumption and food trends

The future prospects for the manufacturers of processing and packaging machines for the meat industry are positive. According to the British market research company Euromonitor International, global meat production amounted to 1.05 trillion euros in 2018. By 2027, the production value is predicted to reach 1.56 trillion euros. This corresponds to an annual increase of around 5 percent. According to the market researchers, the volume of meat sold worldwide in 2018 amounted to 237 million tonnes, which is also growing at an annual rate of around 2 per cent. The highest growth rates are expected in Asia, Eastern Europe and Latin America. Many countries are investing in capacity building and increasing value creation.

The machinery manufacturers do not only take technical requirements into account. Food trends, social changes towards smaller household sizes, changed distribution structures and increasing demands on packaging in terms of material

properties and functions are driving innovation forward. Against this background the demand for flexible machine concepts is increasing.

In the end, all new developments and optimisations have one goal: to enable the safe, hygienic, efficient and economical processing and packaging of meat and meat products. IFFA 2019 will focus on food safety, resource efficiency, production optimisation and digitisation.

Do you have any further questions? Beatrix Fraese, phone 069 6603 1418, beatrix.fraese@vdma.org, will be happy to answer them.

The VDMA represents more than 3,200 companies in the medium-sized mechanical and plant engineering sector. With a good 1.3 million employees in Germany and a turnover of 232 billion euros (2018), the sector is the largest industrial employer and one of the leading German industrial sectors overall.