

#06 Press release

08th July 2019



Association of Italian
Manufacturers and Suppliers
of Machinery, Plants and Systems,
Accessories and Special Products
for glass processing

ITALY'S GLASS MACHINERY INDUSTRY CONTINUES ITS UPWARD GROWTH TREND IN 2018

Data from the latest Industry Report were officially presented at the Association's annual meeting

At its June 27, 2019 meeting, **Gimav** – the Association that represents Italian manufacturers of glass processing machinery, systems, special products and accessories – reported 2018 FY data analyzed by its **Study Center**, which showed an overall **3.75% increase in sales compared to the previous fiscal year**.

Breaking out the data for the two macro-specializations, there was a 2.08% increase in flat glass sales, confirming robust growth in the domestic market (+8.54%) and a 1.04% rise in exports. Hollow glass tallied a 5.57% upswing in overall sales, thanks to the driving influence of exports (+6.69%), which compensated for the slight drop in domestic sales (-0.6%), partly influenced by uncertainties about the continuation of the Industry 4.0 Plan.

The sector's **trade balance** experienced a **1.2% gain**, and topped the billion-euro marked last year. The latest accounting periods also demonstrated modest but steady growth in employment numbers (+2.82%), an improvement that, in light of Italy's current economic situation, reaffirms the sector's positive state of health.

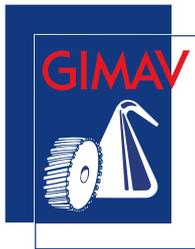
International customers continued to prefer Italian-made products, which led to a 3.04% increase in exports in 2018, with a 1.04% growth figure for flat glass and an impressive +6.69% for hollow glass.

*"Once again, the sizable share of exports confirms that the quality and reputation for excellence of Italian technological solutions are sought-after qualities valued around the world – stated **Gimav President, Michele Gusti** – The proof is in exports' 78.13% share of the industry's overall sales, which peaked at 85% in the hollow glass sector".*

The **European continent** continued to be ranked as the number-one market for Italy's production, claiming 45% of the sales. Of this share, 37.44% was exported to EU countries. The **United States** was the leading country-client for Italian-made industry products – with an 11% share of global sales – followed by **Poland, Mexico, Germany** and **China**.

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Taking a detailed look at the data, the **European continent** was the most significant market for **flat glass**, with a more than 50% share of the total, though there was a decrease in exports to the non-EU markets. Again, geographically, the **United States** stands out as the top customer, with a 15.98% share, followed by **Poland, Germany, Brazil** and **France**.

For **hollow glass** as well, EU-Europe was still the main destination; there was also a significant increase in purchases from African countries.

Thanks to the incentives provided for by the Industry 4.0 Plan, sales in the **domestic market** grew by **8.49%**. Flat glass experienced the biggest increase in growth, up 9.57%, while hollow glass held steady at +6.83%.

This edition of the Report again looked beyond 2018 to the Gimav Study Center analysis of manufacturers' perspectives on performance in 2019. There were widespread expectations that the economic situation would improve, with 83% of the respondents projecting an increase in overall sales.

Specifically, more than 80% of the companies expressed optimism in the performance of exports; but, due to uncertainties about the Industry 4.0 Plan, only 50% had the same feeling about Italy's domestic market.

"In light of these forecasts, it becomes even more clear just how strategically important a well-structured and long-standing Industry 4.0 Plan can be for Italian businesses. Process innovation requires lots of time and certainty if businesses are to plan for sustainable, effective investments. It is crucial that a strong message be sent regarding Industry 4.0 Plan's long-term continuity that takes into account not only tangible and intangible goods, but also the ongoing training of human resources" – concluded Gusti.