This study analyzes the market for low voltage controlgear used in industrial applications. The market contracted slightly in 2016 due to the strong dollar and will remain flat in 2016. Normal growth will return in 2017.

Low voltage controlgear consists of electromechanical devices that are part of a larger system of equipment and wiring. The technology is mature so there is little development. Hence, trends are subtle and major trends tend to follow those of related products like AC drives.

Asia has become the largest market, driven by the ongoing manufacturing boom, followed by Europe and North America. Part of that growth is due to greater use of automation to replace manual workers as labor costs rise. In addition, industrial organizations around the world are investing more to protect expensive assets like electrical equipment and machinery from damage due to overload or short circuits.

The two largest technical standards for controlgear are NEMA in North America and IEC in Europe. While NEMA dominates the US market, IEC components are making inroads due to their compact size, better heat dissipation, larger variety of sizes, and lower prices.

Motor management systems (MMS) integrate motor controls components into a system that is easier to start up and offers diagnostics for maintenance. An MMS makes sense in mission-critical applications and those for which unpredicted downtime is unacceptable. An MMS solution is more expensive than using individual components, so it is important to develop sample business cases to show that such a solution may be more economical for the user in the long term.

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Most suppliers sell controlgear as part of a larger portfolio of automation and power management products. For this reason, strategic issues center mostly on taking advantages of synergies between these domains. Key strategies include:

- Avoiding price competition
- Offering integrated motor management systems
- Identifying growth markets
- Setting up the right distribution channels

This ARC research is available in the form of a Market Intelligence Workbook (Excel) and/or a concise, executive-level Market Analysis Report (PDF), with or without detailed charts.