

Italian Textile machinery sector continued positive growth in 2017

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Italy as a part of the European Union with its extensive infrastructure, a rich cultural history and control over several export markets are one of the leaders in the global economy. The economy of Italy is the 3rd largest national economy in the Eurozone, the eighth largest by nominal GDP in the world, and the 12th largest by GDP (PPP). The country is a founding member of the European Union, the Eurozone, the OECD, the G7 and the G8.

Italy is the second largest manufacturer in Europe behind Germany with the competitive agricultural sector and for its creative and high-quality automobile, naval, industrial, appliance and fashion design. Italy is the largest market for luxury goods in Europe and ranks third in the world. Italy has become a global leader in the manufacturing of textile machinery.

A majority of Italian manufacturers are actually small to medium-sized enterprises that provide custom-made spinning, weaving, knitting, finishing, laundry and dry cleaning machines to the market. These machines are designed to process natural well as man-made fibres, in order to provide a right solution for its global customers.



Alessandro Zucchi,
President, ACIMIT.

Table 1: Italian textile machinery sector
(Million Euro)

	2013	2014	2015	2016	2017	Var. 2017/16
Production	2,323	2,307	2,608	2,743	2,853	4%
Export	1,948	1,947	2,242	2,328	2,390	3%
Domestic Sales	377	360	266	416	463	11%
Import	476	537	628	702	734	5%
Domestic Consumption	851	897	994	1,118	1,197	7%

Source: ACIMIT

According to the Association of Italian Textile Machinery Manufacturers (ACIMIT), creativity, sustainable technology, reliability and quality are the characteristics which have made Italy a leader in the manufacturing of textile machinery. Currently, Italy holds a strong position as one of the main suppliers of textile machinery in the world.

Among the top producers of textile machinery manufacturers in Europe Italy holds second place after Germany and the technological level of its production is considered of the highest standard even by their competitors themselves.

In Italy, there are approximately 300 companies who produce textile machines and related accessories, for a total of about 12,000 employees.

In 2017 the value of Italian production was Euro 2.9 billion, with exports worth Euro 2.4 billion. At a world level, Italy is one of the main suppliers of textile machinery together with Germany, China, Japan and Switzerland. Italian market share on the world exports of textile machinery is about 12%.

Italy is today one of main producers and exporters of textile machinery in the world. In recent years, the technical and innovative textiles industry has seen a

great deal of development in many markets, and especially in Europe.

In 2017, the production of Italian textile machinery amounted to Euro 2.7 billion, 85% of which (worth Euro 2.4 billion) exported in about 130 countries.

The Italian exports of textile machines in 2017 were divided as follows: Asia (48%), followed by Europe (35%), North America (8%), Latin America (5%) and Africa (4%). The biggest contribution to the Italian exports of textile machinery came from China, followed by Turkey, India, Bangladesh, United States and Pakistan. The production and exports of Italian textile machinery are given in Table 1.

The wide range of Italian textile machinery manufacturers meet the needs of all the potential customers. This process of internationalization, together with the vocation for innovation in the sector, allowed Italian companies to consolidate and further improve the

Table 2: Italian textile machinery exports (Main Countries)
Value: Million Euro

Countries	2017	2016	2015
China	356	308	331
Turkey	193	172	172
India	139	135	139
Bangladesh	103	110	97
United States	97	97	89
Pakistan	87	80	47
Germany	94	79	82
Portugal	47	47	36
All others	1,274	1,214	1,335
Total	2,390	2,242	2,328

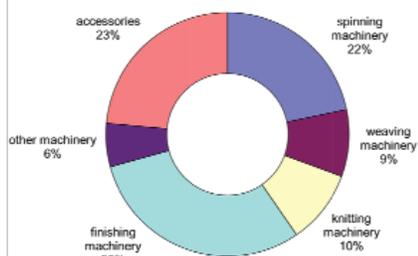
Source: ACIMIT

leading position held by the Italian textile machinery industry all over the world.

The Italian machinery manufacturers covers all the classic sectors into which we can divide textile machines. During the year 2017 Italian sales abroad are divided among these main sectors: 30% finishing machines, 23% accessories, 22% spinning machines, 10% knitting machines, 9% weaving machines and 6% other machines.

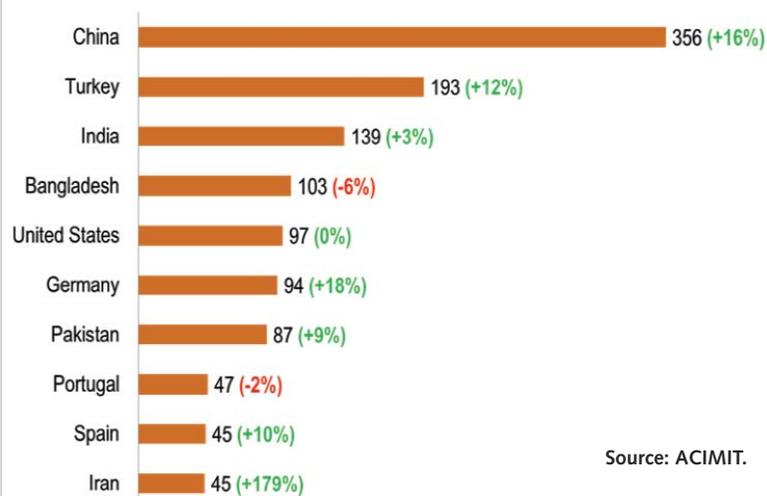
The biggest contribution to the Italian exports of textile machinery came from China. In 2017 Italian exports toward Chinese market amounted to a value of Euro 356 million. Followed by Turkey (Euro 193 million), India (Euro 139

Breakdown of Italian exports by segments 2017
(Million Euro)



Source: ACIMIT

Italian textile machinery exports to main Countries 2017
(Million Euro)



Source: ACIMIT.



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million), Bangladesh (Euro 103 million) and Pakistan (Euro 87 million).

China, Turkey, India, Bangladesh, the United States, Germany and Pakistan are main markets that have continued to drive sales for Italian machinery manufacturers. Iran after the removal of the sanctions showed the highest growth of 179% in 2017. The exports of Italian textile machinery (Main Countries) are given in Table 2.

Key success has to be found in the high level of innovation that characterizes production. The topics of Italian R&D activities are energy saving and machine productivity because the industry knows very well that it is important for textile companies to focus on these topics in order to remain competitive worldwide.

Challenges and prospects

The sales of new textile machinery are the key growth driver of the market. Today machinery manufacturers produce textile machinery at competitive prices and sophisticated machines of higher speed and production capacity. The presence of numerous small-scale players also makes the Italian machinery sector more competitive. Along with them, MNCs have also entered the global arena, taking the competition to the next level, driving companies to increase their productivity and innovation.

A report by Global Industry Analysts (GIA) predicts that the global market for textile machinery is expected to reach US\$ 22.9 billion by 2017. The global demand for textile machinery grows at an impressive CAGR of 11% by 2020. The rising demand for nonwovens fabrics is the primary growth driver for this market.



The high demand for textiles from automotive and construction sectors are expected to aid the market growth during the forecast period. These technical textiles come with features such as increased conductivity, filtration, flexibility, lightweight, reinforcement, resistance, and strength. The production of these textiles requires precision, thus compelling OEMs to design machines that are efficient in terms of precision operation and ensure low wastage of raw materials and energy.

Italy's textile machinery industry is, therefore, expanding its technological capacity to meet new demands of its discerning nonwoven customers operating in the various sectors. In recent years, the technical and innovative textiles industry has seen growth in leading markets,

especially in Europe. Therefore, advanced technology, sustainability, versatility, flexibility, excellent quality and price ratio are the main characteristics that made the Italian machinery an undisputed leader in the world.

Italian manufacturers must take advantage of the evolution of digital technology to further boost production efficiency and competitiveness globally. For the textile sector, and machinery manufacturers Industry 4.0 represents a challenge aimed at stimulating dialogue between businesses operating within the sector. In this connection, ACIMIT quoted a study of its own associated members, conducted by Rina Consulting SpA which was presented at the General Assembly. The study points out the high level of awareness by Italian manufacturers regarding the latest technologies and their adoption with positive outcomes on productivity.

The survey highlights the need to better understand how new technologies can be proposed to industry, and specifically for the textile sector. New trends in terms of demand, which are well synthesized by the phenomenon of fast fashion, and characterized by the speed of time to market, require production processes that are just as swift, and capable of providing an immediate response to consumer needs. The digitalization associated manufacturers can thus trigger a further competitive advantage. ♦

