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# Industrial Controls in China

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Industry Study with Forecasts for **2013 & 2018**

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*Growth will benefit from the ongoing expansion of manufacturing output in key industries such as motor vehicles and electronics, and by the growing preference for advanced controls.*

## Demand in China to rise 13% yearly through 2013

Demand for industrial controls in China is forecast to expand 13 percent per year through 2013 to 213 billion yuan. Growth will benefit from the ongoing expansion of manufacturing output in key industries such as motor vehicles, and electrical and electronic products. Advances will also be supported by the growing preference for more technologically advanced control products that enable manufacturers to improve their productivity and remain competitive. Additionally, rising levels of capital investment in many industries will provide new sales opportunities for suppliers of industrial controls. On the other hand, gains will be restrained by competition from personal computers (PCs) programmed to perform control-related functions.

## Electrical/electronics to be fastest growing market

Durable goods industries accounted for the largest share of industrial control demand in 2008, with 78 percent of the total. Gains through the forecast period will be driven by expanding manufacturing output in China. Electrical and electronic equipment is expected to be the fastest growing market for industrial controls through 2013, stimulated by increases in electrical and electronic equipment production, as well as increasing demand for advanced product types. Original equipment manufacturer (OEM) applications are expected to see faster gains



than maintenance/repair/ operations (MRO) applications, benefiting from the solid growth in manufacturing output in China over the period.

## Advanced controls to outpace conventional

Demand for advanced controls will continue to exceed that for conventional controls, benefiting from their superior precision, reliability, durability and cost-effectiveness. Industrial control software and control systems integration services are projected to be the best-performing product segments through 2013, supported by the move toward integrated, high-end application performance enabled by software-based motion

controls. Adjustable speed drive controls will remain the largest advanced industrial control product segment, primarily bolstered by the superior energy conservation performance they provide. Conventional industrial controls will continue to find use in a variety of applications, benefiting from their low costs. Both general and specialty conventional controls are facing increasing functional competition from advanced solid-state products, though the greatest impact has been felt among general conventional controls. Special-purpose controls demand will continue to outpace sales of general-purpose types, as their specialized nature makes them more valuable to the end user.

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## Sample Text, Table & Chart

### ADVANCED INDUSTRIAL CONTROLS

#### Supply & Demand

Demand for advanced industrial controls in China is for expand 1 billion in 2013. Gains reported by manufacturing industries, original (OEM) applications. Add advance spending on industrial e and soft with will be prevented by personal control applications. terms, sa. by strong price competit result of greater product availability due to rising numbers of

**SAMPLE TEXT**

Advanced controls will continue to expand as a share of gross fixed investment through 2013, resulting from the strong increases in spending on advanced manufacturing and processing equipment that can provide higher efficiency and more reliable operations than conventional industrial control products. Industrial control software and control systems integration services are projected to be the fastest-growing product segments through 2013. Excellent prospects for industrial control software will be supported by the move toward integrated, high-end application performance enabled by software-based motion controls. The increasing tendency to outsource engineering projects will drive demand for control systems integration services.

Shipments of advanced controls by Chinese manufacturers are expected to rise 13.2 percent per annum through 2013 to ¥ slightly slower pace than that of demand. Chinese supply from healthy domestic sales deriving from expanding m production and fixed investment, and increasing demand industrial controls in a number of export markets. Addit by multinationals in industrial control plants in China w manufacturing capacity and improve product quality. H of high-end products such as some specialty CNCs and

43

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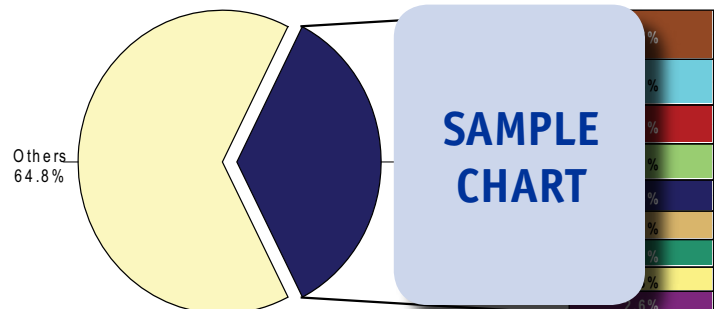
**TABLE VI-4**  
**MACHINERY INDUSTRIAL CONTROL DEMAND IN CHINA**  
 (million yuan)

Item	1998	2003	2008	2013	2018
Machinery Shipments (bil ¥)					
¥ controls/000¥ machinery					
Machinery Industrial Control Demand					
Industrial Machinery					
Metalworking Machinery					
HVAC & Commercial Refrigeration					
Construction & Related Machinery					
Other Machinery					
% machinery controls					
Durable Goods Indust Control Demand					

**SAMPLE TABLE**

**CHART VII-1**

**INDUSTRIAL CONTROL MARKET SHARE IN CHINA BY COMPANY**  
 (¥114 billion, 2008)

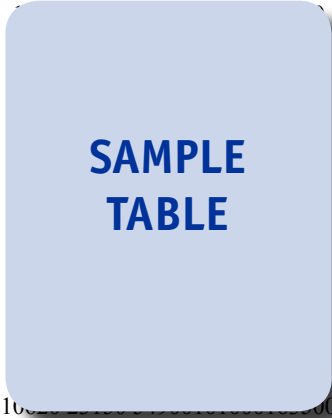


**SAMPLE CHART**

## Sample Profile, Table & Forecast

**TABLE V-2**  
**GENERAL-PURPOSE INDUSTRIAL CONTROL DEMAND IN CHINA**  
 (million yuan)

Item	1998	2003	2008	2013	2018
Machinery & Elec Equip Shpts (bil ¥) ¥ controls/000¥ equipment					
General-Purpose Industrial Controls					
Industrial Control Relays					
AC & DC Starters & Contactors					
Clutches & Brakes					
Motor Control Centers					
Pushbutton Controls					
Limit Switches & Related Products					
Other General-Purpose Controls					
Parts & Accessories					
% general-purpose controls					
Conventional Industrial Controls	100				



### COMPANY PROFILES

**Hollysys Automation Technologies Limited**  
 10 Jiancaicheng Middle Road  
 Xisanqi Haidian District, Beijing 100096  
 China  
 86-10-5898-1000  
<http://www.hollysys.com.cn>



Sales: ¥ (reported by company)  
 Employr (company)

Key Prod human machine inter-  
 face proc

Internati

Hollysys Automation Technologies develops, designs, produces, sells, installs and maintains automation and controls equipment and systems for various industries. In July 2009, the privately held company changed its name from HLS Systems International Limited to Hollysys Automation Technologies Limited.

The Company is active in the Chinese industrial control industry mainly through the design, manufacture and sale of programmable logic controllers (PLCs), human machine interface (HMI) products and a distributed control system (DCS). Hollysys' PLCs include the LK and LM Micro models. The LK unit is a hybrid PLC that is suitable for both discrete manufacturing processes and continuous process control functions. The LK PLC features standard PLC industrial control functionality combined with DCS process control for mid- to large-scale applications. The unit is offered with optional distributed HMI display panels and optional HMI/supervisory control and data acquisition

“Demand for general-purpose controls is projected to rise 12.0 percent annually through 2013 to ¥56.3 billion, a slower pace than that for special-purpose controls. Competition from solid-state devices, which are more reliable and offer enhanced performance characteristics, will constrain demand for general-purpose controls. Nevertheless, growth will benefit from expanding output of products such as industrial machinery, automobiles, primary and fabricated metal products, and electrical and electronic goods.”  
 --Section V, pg. 72



**OTHER STUDIES**

**Circuit Breakers & Fuses**

US circuit breaker and fuse demand will reach \$3.8 billion in 2013. Residential construction will be the fastest growing market while electric power will remain the largest. High-power fuses will lead gains based on their intense use in electric utilities and wind farm step-up transformers. Molded case types will pace growth among circuit breakers. This study analyzes the US circuit breaker and fuse industry, with forecasts for 2013 and 2018 by product and market. It also evaluates company market share and profiles industry players.

#2583 ..... 11/2009..... \$4700

**Lamps**

US demand for lamps is forecast to rise 3.8% annually through 2013. Gains will be driven by federal regulations aimed at replacing conventional incandescent lamps with higher cost fluorescent lamps. Halogen lamps are also forecast to grow especially fast, benefiting from the ban on general service incandescent lamps. This study analyzes the \$5.7 billion US lamp industry, with forecasts for 2013 and 2018 by lamp type and market. It also evaluates company market share and profiles industry players.

#2549 ..... 09/2009..... \$4800

**Advanced Lighting**

US demand for advanced lighting is forecast to grow 10.9% yearly through 2013, spurred by a ban on incandescent lamps starting in 2012. Compact fluorescent lamps (CFLs) and light emitting diodes (LEDs) will grow the fastest, followed by advanced high-intensity discharge (HID) and halogen lighting. This study analyzes the \$4 billion US advanced lighting industry, with forecasts for 2013 and 2018 by product, market and region. It also evaluates company market share and profiles industry players.

#2486 ..... 04/2009..... \$4700

**World Electric Lighting**

Global electric lighting demand will grow 7.4% annually through 2012. The BRIC economies will be the fastest growing markets, driven by rising incomes and rapidly growing nonresidential construction. LED lighting devices and fluorescent lamps will outpace incandescent lamps. This study analyzes the \$28 billion world electric lighting industry, with forecasts for 2012 and 2017 by product, market, world region and for 23 countries. It also evaluates market share and profiles industry players.

#2442 ..... 12/2008..... \$5600

**Sensors**

US sensor demand will grow 4.3% annually through 2012, supported by increasing output of major sensor-containing products such as motor vehicles. Sensors based on new technologies (e.g., MEMS-based, imaging) will see the fastest gains. The automotive industry will remain the biggest market while growth in military and aerospace uses will also be strong. This study analyzes the \$10.3 billion US sensor industry, with forecasts for 2012 and 2017 by product and market. It also evaluates market share and profiles major players.

#2377 ..... 07/2008..... \$4600

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