World Commercial Refrigeration Equipment

Industry Study with Forecasts for 2014 & 2019

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Global demand to increase 5.2% yearly through 2014

Global demand for commercial refrigeration equipment is projected to rise 5.2 percent per year through 2014 to $29.7 billion. Demand will benefit from an acceleration in the key US market, which will rebound from dismal levels in 2009. Demand growth in the Asia/Pacific region will also outpace the global average through 2014. China will remain the fastest growing national market and comprise 18 percent of the growth in global demand. Above-average growth will also occur in India due to solid gains in fixed investment expenditures and rising per capita incomes.

US market to pace gains among developed areas

Despite a modest outlook in the shorter term, US demand for commercial refrigeration equipment is expected to rise 5.6 percent per year through 2014. Gains will result from an improved macroeconomic outlook, as rising consumer spending encourages food industry participants to expand the number of retail outlets and restaurants. In addition, food industry participants will be more willing to make equipment upgrades that had been deferred due to a weak economy. Advances in other developed areas, such as Canada and Japan, will be slower, reflecting already high usage rates. Advances in developed nations will benefit from consumers’ busy lifestyles, as retailers offer a wider range of convenient “grab and go” options, as well as a broader variety of frozen foods. The fastest growth in production will be in industrializing parts of the world. However, the majority of commercial refrigeration equipment output originates in the US, Western Europe and Japan.

Beverage equipment to be fastest growing product

Beverage equipment demand will post the fastest gains among products. This will be due to recovery in the key US market, as well as the growing number of restaurants, especially in the fast food segment. Reach-in and walk-in coolers and freezers are expected to post solid gains due to their widespread use in all of the major markets -- food processors, restaurants and food retailers -- and are expected to post solid gains in developing regions. Display cases will benefit from a growing middle class, which will spur gains in the food and beverage retail segment. Growth in demand for ice machines will benefit from the increasing number of restaurants globally, but will be limited by the fact that some cultures are comfortable drinking room temperature beverages. Vending machine gains will be solid, reflecting technological innovations. However, demand in developing regions will be limited by the low cost of labor, which dampens the need for automated food and beverage distribution.

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Gains for commercial refrigeration equipment will benefit from growth in the nation’s foodservice industry. China features numerous independent foodservice vendors, many of which consist of a simple street stall offering inexpensive food-on-the-go to passersby, along with locations, schools and other institutions such as hospitals, which feature on-site canteens or cafeterias. The fastest growth is expected in eating and drinking places, especially the limited service restaurant segment, which will benefit from the expanding middle class and increasing popularity of international fast food and coffee chains. In the retail segment, foodservice revenues will see strong advances as the sector continues to develop and the number of supermarkets and convenience stores (which offer all sorts of prepared, ready-to-eat foods such as baozi, a filled bun or bread-like item) grows. China’s aging population will support foodservice revenues in health care facilities.

China’s commercial refrigeration equipment shipments are forecast to expand 11.1 percent annually to $4.9 billion in 2014, outpacing increases in demand and resulting in further expansion of the nation’s trade surplus. By 2014, China is expected to overtake Japan as the region’s leading producer. Industry output gains will be fueled by continued strength in local markets and rising demand for Chinese commercial refrigeration products in a number of export markets. Recovery in the US, a significant destination for Chinese exports, will be especially beneficial. Additional investment by foreign multinationals in Chinese refrigeration equipment plants will also help boost manufacturing capacity and output.

Among the major domestic manufacturers are Dalian Bingshan (via Dalian Refrigeration), Yantai Moon and Zhejiang Huamei. Other companies that maintain manufacturing activities in China include Ali, Danfoss, Dunham-Bush, Emerson Electric, Fukushima, GEA Group, Hitachi, Hitachi-Ametek, Ingersoll-Rand, Maco, Mitsubishi, Nordyne, Sanyo, Toshiba, Trane, and York. A list of the leading companies in the World Commercial Refrigeration Equipment Industry Study with Forecasts for 2014 & 2019 is also included.
Hangzhou Kalifon Stainless Steel Kitchen Equipment Co. Ltd.
No. 8, No. 16 Street
Hangzhou, Zhejiang 310018
China
86-571-8671-6066
http://www.kalifon.com

Annual Sales: $50 million (estimated)
Employment: 250 (estimated)

Key Products: refrigerators, freezers, refrigerated display cases for supermarket and commercial kitchen applications

Hangzhou Kalifon is a producer of refrigerators, freezers, refrigerated display cases and other foodservice items. The Company is a joint venture between Hangzhou Goldfish Electrical Appliance Group (China) and Hong Kong Jinyun Trade Company (Hong Kong). Hangzhou Kalifon markets its products to customers worldwide.

The Company competes in the world commercial refrigeration industry via the manufacture of refrigeration products for supermarket and commercial kitchen applications. These items are sold under such brand names as JINSONG, KALIFON and LAUD. For supermarket end uses, Hangzhou Kalifon makes arc deep freezers with interior temperatures of minus 18 degrees Celsius; and island units for freezer, seafood and other cooling applications. The Company also produces upright refrigerated display cases, which are engineered to keep foods at temperatures below 10 degrees Celsius; and beverage coolers and mini-bars for hotel and other hospitality applications.

Hangzhou Kalifon’s refrigerator products for commercial kitchen applications comprise a number of upright and horizontal units. Upright

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<td>☐ Additional Print Copies @ $600 each *</td>
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World Electric Lighting
Global demand for electric lighting is forecast to climb 4.5% annually through 2014. Gains in developing countries will outpace sales in the US, Western Europe and Japan. China alone will account for nearly half of all new product demand through 2014. LEDs will record the fastest market gains. This study analyzes the $6.6 billion world electric lighting industry, with forecasts for 2014 and 2019 by product, market, world region and for 26 countries. It also evaluates company market share and profiles industry participants.
#2708 .......... December 2010 .......... $5900

World Packaging Machinery
This study analyzes the world packaging machinery industry. It presents historical demand data (1999, 2004, 2009) and forecasts for 2014 and 2019 by machinery type (e.g., filling and form/fill/seal; labeling and coding; wrapping, bundling and palletizing; case forming, packing and sealing), market (e.g., food, beverages, pharmaceuticals and personal care products, chemical products), world region and major country. The study also considers market environment factors, evaluates company market share and profiles industry players.
#2727 .......... February 2011 .......... $6100

World Aquaculture: Feed, Equipment & Chemicals
Global demand for aquaculture supplies and equipment will grow 11.6% annually through 2014. The Asia/Pacific region will continue to dominate both production and consumption. Aquafeed will remain the largest product segment and be the fastest growing. This study analyzes the world aquaculture supplies and equipment industry, with forecasts for 2014 and 2019 by product, species, world region and for 15 countries. It also evaluates company market share and profiles industry participants.
#2680 .......... October 2010 .......... $5800

Commercial Refrigeration Equipment
Demand for commercial refrigeration equipment in the US is forecast to rebound through 2014, growing 7.2% annually. Growth will be strongest for the largest product segment, transportation systems. Distribution will post the strongest market gains, while foodservice remains the largest segment. This study analyzes the $6.6 billion US commercial refrigeration equipment industry, with forecasts for 2014 and 2019 by market and product. It also evaluates company market share and profiles industry players.
#2661 .......... July 2010 .......... $4800

HVAC Equipment
US HVAC equipment demand will rise 4.5% annually through 2013, driven by a recovery in residential construction and incentives to buy more energy-efficient systems. Heat pumps will be the fastest growing type of heating equipment. Unitary air conditioners account for the largest share of the cooling equipment segment. This study analyzes the $13.7 billion US HVAC equipment industry, with forecasts for 2013 and 2018 by fuel type, equipment type and market. It also evaluates market share and profiles industry players.
#2553 .......... October 2009 .......... $4800

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