Electric Motors

US Industry Study with Forecasts for 2018 & 2023

Study #3238 | December 2014 | $5200 | 265 pages

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Table of Contents

EXECUTIVE SUMMARY

MARKET ENVIRONMENT

General .............................................. 4
Macroeconomic Environment .............. 5
Personal Income & Expenditures .......... 10
Demographic Outlook ...................... 13
Fixed Investment Trends .................. 17
Manufacturing Outlook .................. 20
Pricing Patterns .............................. 24
Historical Market Trends ................. 28
Regulatory & Legal Environment ....... 31
Technology & Material Trends ........... 33
International Environment .............. 37
World Supply & Demand Trends .......... 38
US Foreign Trade ............................. 41
Imports .......................................... 43
Exports .......................................... 46

PRODUCTS

General .............................................. 50
Electric Motor Types ........................ 51
AC Motors ......................................... 55
Fractional Horsepower AC Motors ...... 58
Single Phase ..................................... 59
Polyphase ......................................... 63
Integral Horsepower AC Motors ....... 65
Induction .......................................... 67
Synchronous ...................................... 69
Demand by Market .......................... 71
DC Motors ......................................... 74
Fractional Horsepower DC Motors ...... 78
Brushed .......................................... 79
Brushless ......................................... 82
Integral Horsepower DC Motors ...... 84
Brushed .......................................... 86
Brushless ......................................... 88
Demand by Market .......................... 90
Power Rating .................................... 92
Fractional Horsepower Motors .......... 95
Demand by Type .............................. 95
Demand by Market .......................... 99

MARKETS

General .............................................. 106
Motor Vehicles .................................. 108
Motor Vehicle Outlook ................... 109
Electric Motor Demand .................. 113
Internal Combustion Engine ............. 116
Light Vehicles .................................. 116
Hybrid/Electric Light Vehicles .......... 118
Medium & Heavy Duty Vehicles ....... 121
Heating & Cooling Equipment ........... 123
Heating & Cooling Equipment Outlook . 124
Electric Motor Demand .................. 125
Machinery ........................................ 128
Machinery Outlook ......................... 129
Electric Motor Demand .................. 131
Household Appliances ..................... 134
Household Appliances Outlook ........ 135
Electric Motor Demand .................. 136
Major Appliances ............................. 138
Small Appliances .............................. 140
Aerospace & Other Nonautomotive ... 142
Transportation Equipment ............... 142
Aerospace & Other Nonautomotive ... 142
Transportation Equipment Outlook .... 142
Electric Motor Demand .................. 144
Commercial & Service ...................... 147
Industry Equipment ......................... 147
Commercial & Service Industry ....... 148
Equipment Outlook ......................... 148
Electric Motor Demand .................. 149
Other Markets ................................... 151

INDUSTRY STRUCTURE

General .............................................. 154
Industry Composition ...................... 155
Market Share ..................................... 158
Product Development ...................... 165
Manufacturing ................................. 167

Marketing & Distribution .................. 168
Cooperative Agreements ................. 170
Mergers & Acquisitions .................... 172

COMPANY PROFILES

ABB Limited ..................................... 175
Allied Motion Technologies ............... 178
AMETEK Incorporated ....................... 181
Bodine Electric .................................. 184
Bosch (Robert) GmbH ......................... 186
Brose Fahrzeugteile ......................... 188
Danaher Corporation ......................... 190
DENSO Corporation ......................... 192
ElectroCraft Incorporated ................... 194
Emerson Electric ................................ 196
General Electric ............................... 198
General Motors .................................. 201
HBD Industries ................................. 202
Hitachi Limited ................................. 204
Inteva Products ............................... 206
ITT Corporation ............................... 207
Johnson Electric ............................... 209
Lenze SE .......................................... 212
Mabuchi Motor .................................. 214
Magnetek Incorporated ...................... 216
Minebea Company ............................. 217
Mitsuba Corporation ......................... 219
Mitsubishi Electric ............................ 221
Nidec Corporation ............................. 224
Regal Beloit ...................................... 229
Remy International ......................... 234
Rockwell Automation ...................... 236
Siemens AG ...................................... 238
SL Industries .................................... 241
Somfy SA ......................................... 243
TECO Electric & Machinery .............. 245
Toshiba Corporation ......................... 247
 Valeo Electric & Machinery .......... 247
 Valeo ................................................... 250
 WEG SA ............................................. 252
 Yaskawa Electric .............................. 255
 Other Companies Mentioned in the Study ........... 257-265
## List of Tables/Charts

### EXECUTIVE SUMMARY

1. Summary Table .................................. 3

### MARKET ENVIRONMENT

1. Macroeconomic Indicators .............. 9
2. Personal Consumption Expenditures 13
3. Population & Households ............. 17
4. Nonresidential Fixed Investment ..... 20
5. Manufacturers' Shipments .......... 24
6. Electric Motor Pricing .............. 27
7. Electric Motor Prices, 2003-2023 .... 28
10. US Electric Motor Imports by Destination, 2013 ............ 46
11. US Electric Motor Exports by Destination, 2003-2013 .... 48

### PRODUCTS

1. Electric Motor Supply & Demand .......... 51
2. Electric Motor Supply & Demand by Type .......... 53
3. AC Motor Demand by Type ............ 54
4. AC Motor Demand by Type, 2013 .... 56
5. Fractional Horsepower AC Motor Demand .......... 59
6. Single Phase Fractional Horsepower AC Motor Demand .......... 62
7. Polyphase Fractional Horsepower AC Motor Demand .......... 65
8. Integral Horsepower AC Motor Demand .......... 67
9. Induction Integral Horsepower AC Motor Demand .......... 69

### MARKETS

1. Electric Motor Demand by Market ........ 107
2. Motor Vehicle Indicators .............. 112
3. Motor Vehicle Electric Motor Demand by Type, Power Rating, Segment, & Application .... 115

Cht Motor Vehicle Electric Motor Demand by Segment, 2003 .... 116
4. Internal Combustion Engine Light Vehicle Electric Motor Demand .......... 118
5. Hybrid/Electric Light Vehicle Electric Motor Demand .......... 121
7. Heating & Cooling Equipment Shipments .............. 125
8. Heating & Cooling Equipment Electric Motor Demand by Type & Power Rating .......... 128
9. Machinery Shipments .............. 131
10. Machinery Electric Motor Demand by Type & Power Rating .......... 134
11. Household Appliance Shipments .......... 136
12. Household Appliance Electric Motor Demand .......... 140
13. Small Appliance Electric Motor Demand .......... 141
14. Aerospace & Other Nonautomotive Transportation Equipment Shipments .............. 144
15. Aerospace & Other Nonautomotive Transportation Equipment Electric Motor Demand .......... 147
17. Commercial & Service Industry Equipment Electric Motor Demand .......... 151
18. Other Markets Electric Motor Demand .......... 153

### INDUSTRY STRUCTURE

2. Selected Cooperative Agreements .......... 171
3. Selected Acquisitions & Divestitures .......... 173
Electric motor suppliers will benefit from solid increases in motor vehicle, HVAC equipment, and machinery output, as well as from rising demand for more efficient, more expensive motors.

US demand to grow 5.4% annually through 2018

The US market for electric motors is forecast to expand 5.4 percent per year through 2018 to $16.2 billion, accelerating from the 2008-2013 period. Electric motors are key components in many durable goods and, as a result, suppliers will benefit from solid increases in motor vehicle, HVAC equipment, and machinery output. Rising demand for more efficient, more expensive motor products will also boost market value. However, pricing pressure from original equipment manufacturers (OEMs), as well as competition from lower cost imports, will limit value gains.

Motor vehicles, HVAC & machinery markets to see fastest growth

Motor vehicles are expected to post the most rapid market gains and remain the largest domestic outlet for electric motors through 2018. In addition to an increase in total motor vehicle output, as well as a significant rise in hybrid and electric vehicle (HEV) production, gains will be spurred by the growing number of electric motor-dependent systems in the average vehicle. The HVAC and machinery markets will also provide significant sales opportunities for electric motor suppliers as output from these industries climbs. HVAC electric motor demand will be spurred by greater construction spending, which will lead to the installation of entirely new systems, while machinery motor sales will be supported in part by replacement demand driven by government efficiency regulations.

AC electric motors to outpace DC types

Electric motors can be divided into two product types: alternating current (AC) and direct current (DC). Demand for AC motors will grow faster than that for DC motors and remain the larger product category. Motor vehicles are expected to make up approximately one-third of AC motor dollar gains, the result of a rise in HEV production. HEVs use integral horsepower (IHP) AC synchronous motors for motive power and, as a result, these motors will register by far the fastest gains of any major type. Increased production of HVAC equipment and machinery, which are heavy users of AC motors, will provide additional support moving forward.

DC motors are used extensively in transportation applications, and suppliers will benefit from increases in motor vehicle output and aerospace and other nonautomotive transportation equipment production. Universal motors, which can run on AC or DC power and are grouped with DC motors for the purpose of this study, are widely used in HVAC equipment and machinery, and higher output of these products will boost overall electric motor use.
Polyphase: Sales of polyphase AC FHP motors are expected to climb annually through 2018 by 3.0 percent to $1.1 billion, advancing at roughly the same pace as single phase FHP AC motors. Following the declines of the 2008-2013 period, shipments will post average annual gains of 1.5 percent through 2018, when sales will be 77 million units. Gains will largely be driven by increased shipments of machinery and commercial and service equipment. Products from these industries utilize a significant number of synchronous stepper motors and AC servomotors, two of the primary products in this segment. Nevertheless, competition from more efficient products like DC brushless motors and servomotors will restrict demand growth moving forward.

The polyphase AC FHP motor product segment consists primarily of synchronous stepper motors. These motors offer performance advantages such as rugged design, long life, and the ability to perform well in harsh industrial environments. Additionally, synchronous stepper motors offer very precise motion without the use of feedback systems. However, feedback devices may be incorporated into stepper motors if position comparison is desired. In very high precision applications, these motors can be used with either analog or digital signals. Unlike servomotors, which operate at constant speeds, stepper motors position loads by operating in discrete increments, or steps. The stepping action is accomplished by switching the power to the motor windings so that the motor phases are energized in a specific sequence. A single step may correspond to an angular movement of the rotor between 0 and 180 degrees.

Furthermore, these motors feature a simple, open loop control system that makes motion control systems easy to design. The use of magnetic materials permits a substantial increase in torque while reducing the size and weight of some types of steppers. Often, a synchronous stepper motor combined with integrated controls can replace a conventional mechanical system.

### TABLE IV-10

<table>
<thead>
<tr>
<th>Item</th>
<th>2003</th>
<th>2008</th>
<th>2013</th>
<th>2018</th>
<th>2023</th>
</tr>
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<tr>
<td>Machinery Shipments (bil $)</td>
<td>191.2</td>
<td>273.8</td>
<td>325.3</td>
<td>396.9</td>
<td>488.8</td>
</tr>
<tr>
<td>$ motors/000$ machinery</td>
<td>5.04</td>
<td>5.49</td>
<td>5.45</td>
<td>5.65</td>
<td>6.00</td>
</tr>
<tr>
<td>Machinery Motor Demand</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>By Type:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AC</td>
<td>829</td>
<td>1265</td>
<td>1455</td>
<td>1805</td>
<td>2355</td>
</tr>
<tr>
<td>DC</td>
<td>135</td>
<td>237</td>
<td>315</td>
<td>430</td>
<td>575</td>
</tr>
<tr>
<td>By Power Rating:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fractional Horsepower</td>
<td>422</td>
<td>663</td>
<td>775</td>
<td>935</td>
<td>1155</td>
</tr>
<tr>
<td>Integral Horsepower</td>
<td>542</td>
<td>839</td>
<td>995</td>
<td>1300</td>
<td>1775</td>
</tr>
<tr>
<td>% machinery</td>
<td>11.3</td>
<td>13.9</td>
<td>14.2</td>
<td>13.8</td>
<td>13.2</td>
</tr>
<tr>
<td>Electric Motor Demand</td>
<td>8497</td>
<td>10810</td>
<td>12450</td>
<td>16200</td>
<td>22200</td>
</tr>
</tbody>
</table>

Source: The Freedonia Group, Inc.

### CHART V-1

**US ELECTRIC MOTOR MARKET SHARE**

($12.5 billion, 2013)

Copyright 2014 The Freedonia Group, Inc.
Bodine Electric Company
201 Northfield Road
Northfield, IL  60093
773-478-3515
http://www.bodine-electric.com

Annual Sales:  $55 million (estimated)
Employment:  390 (estimated)
Key Products:  fractional horsepower AC and DC motors

Bodine Electric is a privately held manufacturer of stock and custom fractional horsepower (hp) AC and DC motors, and motion controls for industrial and commercial applications. The Company maintains a plant in Peosta, Iowa.

The Company’s fractional hp AC motors include three-phase inverter duty, induction, and torque motors; and three-phase inverter duty, parallel shaft, and right angle gearmotors. Three-phase inverter duty motors and gearmotors, which are sold under the PACESETTER brand name, feature Bodine Electric’s QUINTSULATION five-stage insulation system. Induction motors range in power from 1/40 to 1/2 hp and consist of single- and three-phase designs. Bodine Electric’s torque motors include 30R series types, which are intended for holding, winding, and tensioning applications. Among the company’s parallel shaft gearmotors are 34R-Z series units, which feature permanently lubricated gearing and aluminum center rings. In January 2014, the Company introduced FX series parallel shaft AC gearmotors, which can be used in such fixed speed applications as medical equipment and packaging machinery. Right angle gearmotors include 30R-3RD series products, which incorporate aluminum end shields for high thermal efficiency and light weight.

TABLE III-20
FRACTIONAL HORSEPOWER MOTOR DEMAND BY TYPE

<table>
<thead>
<tr>
<th>Item</th>
<th>2003</th>
<th>2008</th>
<th>2013</th>
<th>2018</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electric Motor Demand (mil units)</td>
<td>1449.9</td>
<td>1358.1</td>
<td>1409.0</td>
<td>1547.0</td>
<td>1681.0</td>
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<tr>
<td>% fractional</td>
<td>98.2</td>
<td>98.0</td>
<td>98.0</td>
<td>97.8</td>
<td>97.6</td>
</tr>
<tr>
<td>Frac HP Motor Demand (mil units)</td>
<td>1423.6</td>
<td>1330.6</td>
<td>1381.0</td>
<td>1513.5</td>
<td>1640.5</td>
</tr>
<tr>
<td>AC</td>
<td>536.9</td>
<td>556.6</td>
<td>481.0</td>
<td>515.5</td>
<td>544.5</td>
</tr>
<tr>
<td>Single Phase</td>
<td>460.8</td>
<td>475.6</td>
<td>409.5</td>
<td>438.5</td>
<td>461.5</td>
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<tr>
<td>Polyphase</td>
<td>76.1</td>
<td>81.0</td>
<td>71.5</td>
<td>77.0</td>
<td>83.0</td>
</tr>
<tr>
<td>DC</td>
<td>886.7</td>
<td>774.0</td>
<td>900.0</td>
<td>998.0</td>
<td>1096.0</td>
</tr>
<tr>
<td>Brushed</td>
<td>794.1</td>
<td>666.3</td>
<td>772.0</td>
<td>846.5</td>
<td>923.0</td>
</tr>
<tr>
<td>Brushless</td>
<td>92.6</td>
<td>107.7</td>
<td>128.0</td>
<td>151.5</td>
<td>173.0</td>
</tr>
<tr>
<td>$/unit</td>
<td>4.01</td>
<td>5.11</td>
<td>5.56</td>
<td>5.98</td>
<td>6.52</td>
</tr>
<tr>
<td>Fractional HP Motor Demand (mil $)</td>
<td>5715</td>
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<td>7685</td>
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<td>AC</td>
<td>2946</td>
<td>3730</td>
<td>3645</td>
<td>4190</td>
<td>4825</td>
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<tr>
<td>Single Phase</td>
<td>2212</td>
<td>2782</td>
<td>2705</td>
<td>3100</td>
<td>3550</td>
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<tr>
<td>Polyphase</td>
<td>734</td>
<td>948</td>
<td>940</td>
<td>1090</td>
<td>1275</td>
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<tr>
<td>DC</td>
<td>2769</td>
<td>3076</td>
<td>4040</td>
<td>4860</td>
<td>5875</td>
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<td>Brushed</td>
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<td>2192</td>
<td>2855</td>
<td>3360</td>
<td>4015</td>
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<tr>
<td>Brushless</td>
<td>625</td>
<td>884</td>
<td>1185</td>
<td>1500</td>
<td>1860</td>
</tr>
<tr>
<td>% fractional</td>
<td>67.3</td>
<td>63.0</td>
<td>61.7</td>
<td>55.9</td>
<td>48.2</td>
</tr>
<tr>
<td>Electric Motor Demand (mil $)</td>
<td>8497</td>
<td>10810</td>
<td>12450</td>
<td>16200</td>
<td>22200</td>
</tr>
</tbody>
</table>
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World Motorcycles
World demand for motorcycles will rise 5.9 percent yearly to 132.4 million units in 2018, valued at $119.5 billion. The Asia/Pacific region will remain the dominant market, while the Africa/Mideast region grows the fastest. E-bikes and other electric motorcycles will capture market share from internal combustion engine (ICE) models in most countries. This study analyzes the 99.5 million unit worldwide motorcycle industry, with forecasts for 2018 and 2023 by type, world region, and for 23 countries. The study also evaluates company market share and profiles industry players.

#3198 .................. December 2014 ................. $6500

World Hybrid & Electric Vehicles
World hybrid and electric vehicle (H/EV) sales will more than double through 2018, accounting for nearly one-quarter of all new motor vehicles sold. Gains will be led by mild hybrids, which are conventional vehicles equipped with relatively low-cost systems (e.g., start-stop, regenerative braking) that reduce fuel use and vehicle emissions. This study analyzes the 10.1 million unit world H/EV industry, with forecasts for 2018 and 2023 by type, market, world region, and for 16 countries. The study also evaluates company market share and profiles industry players.

#3155 .................. June 2014 ................... $6100

World Fuel Cells
Global demand for commercial fuel cells will almost triple to $4 billion in 2017 and then triple again by 2022 to $12 billion. Motor vehicles, portable electronics, and industrial stationary/motive power applications will grow the fastest. Japan and the US will remain by far the largest markets, while China and South Korea will grow the fastest. This study analyzes the $1.5 billion world fuel cell industry, with forecasts for 2017 and 2022 by product, chemistry, application, world region, and for 16 countries. The study also evaluates company market share and profiles industry players.

#3140 .................. April 2014 ................... $6300

Wind Turbine Systems
US demand for wind turbine systems is forecast to reach 18.9 billion in 2018, a nearly ninefold increase over severely depressed 2013 levels. The market for wind turbines tends to be highly volatile due to its reliance on government incentives. Feed-in tariff payments and various grants from the Department of Energy will drive gains going forward. This study analyzes the $1.1 billion US wind turbine system industry, with forecasts for 2018 and 2023 by type, component, application and US region. The study also evaluates company market share and profiles industry players.

#3139 .................. March 2014 ................... $5100

World Electric Motors
World demand for electric motors is projected to increase 6.5 percent per year to $122.5 billion in 2017. The Asia/Pacific region will be the largest source of market growth through 2017. Demand for AC motors will outpace DC types. Motor vehicles and heating and cooling equipment will be the fastest growing markets. This study analyzes the $89.4 billion world electric motor industry, with forecasts for 2017 and 2022 by product, market, world region, and for 30 countries. The study also evaluates company market share and profiles industry players.

#3055 .................. October 2013 ................ $6100

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- Construction & Building Products
- Consumer Goods
- Energy & Petroleum
- Industrial Components
- Health Care & Life Sciences
- Machinery & Equipment
- Metals, Minerals & Glass
- Packaging
- Plastics & Other Polymers
- Security
- Services
- Textiles & Nonwovens
- Water Treatment

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